

National Timber Supply Act. Lately the Forest Service seems to have acquiesced to the school of clear cutting—except they don't call it that. There is a new word in the Forest Service for clear cutting. It is called "even aged management"—a very positive sounding phrase for questionable management.

The American public is faced with reversing a trend toward "clear cutting" back to "selective cutting". The clear cutting trend has prospered in the new forestry schools many of which are influenced, promoted and underwritten by the lumbering interests.

The lumber lobby has been working hard in Washington. The House Agriculture and Forestry Committee has already favorably reported on their version of the National Timber Supply Act. The Senate seems inclined to schedule hearings. Some of Wisconsin's biggest paper industries have endorsed it. The public remains unaware of what is taking place.

Between this innocent-sounding act and the lumbering trends—the cries of "Timber!" will soon be echoing in our national forests as they never have since we fought to save them a quarter of a century ago.

OUR EDUCATIONAL SYSTEM IN CRISIS

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 19, 1970

Mr. FUQUA. Mr. Speaker, recent Court decisions ordering immediate integration to our school systems is playing havoc with our educational system.

Students, without regard to race, creed, or color, are the actual victims of the disruptive situation which faces our school boards.

School officials find themselves at mid-term with an insoluble problem of transferring students and faculty from school to school without orderly planning. Courses of study begun under one teacher in one school setting, are to be changed

without regard for the harm this will do to the student.

Parents, students, and the general public are justifiably upset.

We have made every effort within the Congress to pass legislation which would alleviate this situation and allow for orderly processes. I have called on the Attorney General to point out that many of our school districts face a crisis that local boards simply are unable to solve. I have pleaded that the Justice Department utilize every means to help our local officials in this regard.

I call upon the courts to recognize that there are differences in the various school districts and that each should be judged on its own merit and not a summary order which does not take into regard the children in our schools.

Regardless of what can be done, education has suffered and will suffer because of the ill-advised actions of the courts.

HOUSE OF REPRESENTATIVES—Tuesday, January 20, 1970

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Whosoever heareth these sayings of Mine and doeth them, will be like a wise man who built his house upon a rock.—Matthew 7: 24.

Eternal God, who art the refuge of the humble and the strength of the faithful, help us to realize more than ever that the only firm foundation upon which our Nation can build safely is a true faith in Thee and in a real devotion to moral and spiritual values.

May the security of our American way, the survival of our democratic spirit, and the support of our free institutions find inspiration in the assurance of Thy power, Thy wisdom, and Thy love.

Each day may we keep ourselves committed to Thee whose love never falters, whose light never fades, and whose life never fails. Thus may we face this day with courage and faith knowing Thou art with us always and all the way.

In the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 477. Concurrent resolution providing for a joint session of Congress on Thursday, January 22, 1970.

THE PRESIDENT'S PRIMARY OBJECTION TO THE HEW APPROPRIATION BILL

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, one of the President's primary objections to the HEW appropriations bill is that it contains some \$400 million in excess of his budget request for grants to schools in federally impacted areas. The additional funds for this program are highly questionable, as shown by the recent report of the Battelle Institute which was commissioned by Congress to study the impact aid program.

The Battelle study found that the current program overcompensates many districts, allowing them to maintain a higher level of education with less local effort. In many cases these overpayments go to wealthy school districts: for example, some \$5.8 million in impact aid went to the richest county in the Nation in 1968, while the 100 poorest counties received only a total of \$3.2 million.

The study also noted that impact aid tends to frustrate State policies designed to equalize educational opportunities. Since impact aid payments cannot be taken into account in making State equalization payments, States must use their scarce funds to double pay districts with Federal impact, instead of being able to use those funds where the gap between educational needs and financial resources is the greatest.

Certainly, pouring more money into this program will only create greater inequities for the many school districts in the country in which the need for financial assistance may be just as great or greater, but which do not receive support.

INTERNATIONAL CLERGY WEEK

(Mr. QUILLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUILLEN. Mr. Speaker, almost 27 years ago the lives of 678 men were snuffed out by a single tragedy—the torpedoed sinking of the troop transport *Dorchester* in the cold waters of the North Atlantic off the coast of Greenland.

Sadly, the ship was only 90 minutes from its destination, but within 27 minutes 678 of the 904 men on board were lost in the iceberg waters of the North Atlantic.

Included among the group on the ship were four chaplains—a priest, a rabbi, and two ministers. They, too, lost their lives, but the manner in which they fell to death was unusual and has an interesting story. Briefly, I would like to share with you some facts of that fateful venture.

These chaplains went down with their ship because they had given their life jackets to soldiers who lost theirs in the confusion or had left them below deck.

Meanwhile, with utter disregard for self and having given their own life jackets away, the chaplains stood hand in hand, praying to God they served for the safety of those men who were leaving the sinking ship in fear and terror.

Appropriately, I feel, the delegates to the Civitan International Convention in Dallas, Tex., on June 27, 1962, adopted a resolution honoring the clergymen by asking the respective States to set aside and program a week each year to be known as International Clergy Week.

In my home State of Tennessee last year, the Governor proclaimed the week of February 3 as Clergy Week.

In view of this action, I feel it is only fitting that this Congress pass a joint resolution calling on President Nixon to proclaim the week of February 3 as International Clergy Week in the United States.

Therefore, Mr. Speaker, I have introduced such a resolution today to accomplish this goal.

FAILURE OF THE NIXON ADMINISTRATION'S ECONOMIC POLICIES

(Mr. ALBERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBERT. Mr. Speaker, the announcement yesterday by the Bureau of Labor Statistics that consumer price increases continue to accelerate in December rising at 0.6 percent to round out the Nation's most inflationary 12 months since the Korean war, demonstrates in dramatic terms the utter failure of the Nixon administration's economic policies. As a result of last month's jump in prices, weekly take-home pay of the Nation's 45 million nonfarm private payroll workers expressed in constant dollars declined for the third month in a row and now stands 1.1 percent below a year ago. The cost of living rose 6.1 percent in 1969. This rise was the largest in 18 years.

At the same time, the evidence is clear that the economy is declining and that we are heading into a recession. We have witnessed a decline in the quarterly growth rate, a decline in durable goods orders, industry production has dropped for the fourth consecutive month, a weakening in consumer confidence reflected in buying plans, a drop in the sale of cars, heavier unsold inventories, a sluggish pace in retail sales, lower profits, a drop in housing starts from 1.9 million annual rate in January to 1.2 million in December, together with a decline in the sale of existing homes. Overall leading indicators are pointing downward.

This administration has by its misguided economic policies achieved a truly remarkable economic paradox: at one and the same time, most unprecedented inflation coupled with an economic downturn.

The vast and influential powers of the Office of the Presidency must be brought to bear against these sharply rising price increases of the concentrated industries and against the excess profits and high interest rates of the big money interests.

FIGHTING INFLATION

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute.)

Mr. ANDERSON of Illinois. Mr. Speaker, I listened with great interest to the statement just read by the distinguished majority leader. Inflation following the unusual expenditures needed to cover fighting a war is not unprecedented. We had inflation in 1951 following the Korean war. I would simply point out that had the decision been made within the executive branch of the Government promptly in 1965 to call for the taxes needed to pay for the war then, we would not today be paying the price of inflation.

I would also like to point out, Mr. Speaker, with reference to the cost-of-living figures that the gentleman from Oklahoma recited, that is all the more reason why when the vote comes in this Chamber in the next few days on a Labor-HEW appropriations bill which is \$1½ billion over the budget we should act in a fiscally responsible manner. We ought to have those statistics well in mind.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

JOHN VINCENT AMIRAULT

The Clerk called the bill (H.R. 2552) for the relief of John Vincent Amiraault.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AMALIA P. MONTERO

The Clerk called the bill (H.R. 6375) for the relief of Amalia P. Montero.

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

VISITACION ENRIQUEZ MAYPA

The Clerk called the bill (H.R. 6389) for the relief of Visitacion Enriquez Maypa.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

YAN MING CHINN (GON MING LOO)

The Clerk called the bill (S. 1438) for the relief of Yau Ming Chinn (Gon Ming Loo).

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MRS. RUTH BRUNNER

The Clerk called the bill (H.R. 9488) for the relief of Mrs. Ruth Brunner.

There being no objection, the Clerk read the bill as follows:

H.R. 9488

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the limitations of section 3010 of title 38 of the United States Code or of any other statute of limitations that the widow's death benefits payable to Ruth Brunner, of Atlanta, Georgia, shall be held and considered payable from November 1959, when she first sought to apply for such benefits by reason of the naval service of her deceased husband, Harry Brunner.

With the following committee amendment:

Page 1, lines 5, 6, 7, 8, and 9, strike "that the widow's death benefits payable to Ruth

Brunner, of Atlanta, Georgia, shall be held and considered payable from November 1959, when she first sought to apply for such benefits by reason of the naval service of her deceased husband Harry Brunner." and insert "the claim filed in 1959 by Ruth Brunner as the widow of Harry Brunner, also known as Henry Bruner (XC 857314), shall be held and considered to be a valid and timely claim for such benefits and shall be considered and, if found meritorious, paid in accordance with otherwise applicable law."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the Senate concurrent resolution (S. Con. Res. 33) favoring the suspension of deportation of certain aliens.

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that this concurrent resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MRS. SABINA RIGGI FARINA

The Clerk called the bill (H.R. 3629) for the relief of Mrs. Sabina Riggi Farina.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PLACIDO VITERBO

The Clerk called the bill (H.R. 3955) for the relief of Placido Viterbo.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ROSE MINUTILLO

The Clerk called the bill (H.R. 12089) for the relief of Rose Minutillo.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MRS. MARJORIE ZUCK

The Clerk called the bill (S. 476) for the relief of Mrs. Marjorie Zuck.

There being no objection, the Clerk read the bill as follows:

S. 476

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of determining the entitlement of Mrs. Marjorie Zuck, Rural Route 1, Watson, Missouri, to benefits under title II of the Social Security Act for the months after October 1965, on the basis of the wages and self-employment income of Emery Zuck (social security account numbered 487-42-7467) if the said Mrs. Marjorie Zuck files application for such benefits within six months after the date of the enactment of this Act, the marriage entered into by the said Mrs. Marjorie Zuck and Emery Zuck on November 26, 1921, shall be held and considered to have been a valid marriage.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK BROWN

The Clerk called the bill (H.R. 1697) for the relief of Jack Brown.

There being no objection, the Clerk read the bill as follows:

H.R. 1697

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jack Brown, former superintendent and special disbursing agent of the Sequoyah Orphan Training School of Tahlequah, Oklahoma, the sum of \$751.50 in full settlement of all his claims against the United States for the amount he paid to the United States on January 12, 1939, after he was notified by the General Accounting Office that his purchase for the United States of a water pipeline right-of-way from the city of Tahlequah, Oklahoma, was not authorized. The United States has used that right-of-way since he made the purchase in 1933.

SEC. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 2, line 5, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JANIS ZALCMANIS, GERTRUDE JANSONS, LORENA JANSONS MURPHY, AND ASJA JANSONS LIDERS

The Clerk called the bill (H.R. 3530) for the relief of Janis Zalcmans, Gertrude Jansons, Lorena Jansons Murphy, and Asja Jansons Liders.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

DR. EMIL BRUNO

The Clerk called the bill (H.R. 4105) for the relief of Dr. Emil Bruno.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. EDMONDSON. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. GROSS and Mr. HALL objected, and under the rule, the bill was recommitted to the Committee on the Judiciary.

QUITCLAIMS TO QUIET TITLE, ARIZONA

The Clerk called the bill (H.R. 7161) for the relief of Leonard N. Rogers, John P. Corcoran, Mrs. Charles W. (Ethel J.) Pensinger, Marion M. Lee, and Arthur N. Lee.

There being no objection, the Clerk read the bill as follows:

H.R. 7161

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to quiet title in certain real property in Apache National Forest, Arizona, held and claimed by the following named persons under a chain of title dating from December 4, 1903, the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to such persons all right, title, and interest of the United States in and to certain real property situated in section 5, township 6 north, range 30 east, Gila and Salt River base and meridian, as follows:

(1) To Leonard N. Rogers all right, title, and interest of the United States in and to the real property more particularly described as the west half northwest quarter southwest quarter.

(2) To John P. Corcoran all right, title, and interest of the United States in and to the real property more particularly described as the east half northwest quarter southwest quarter.

(3) To Mrs. Charles W. (Ethel J.) Pensinger all right, title, and interest of the United States in and to the real property more particularly described as the southwest quarter southwest quarter.

(4) To Marion M. Lee and Arthur N. Lee all right, title, and interest of the United States in and to the real property more particularly described as the southwest quarter of the northwest quarter.

SEC. 2. The conveyance authorized by the first section of this Act shall be made by the Secretary of Agriculture without consideration, but the persons to whom the conveyances are made shall bear any expenses incident to the preparation of the legal documents necessary or appropriate to carry out the first section of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. This concludes the call of the Private Calendar.

AUTHORIZING PAYMENT OF COMPENSATION FOR CERTAIN COMMITTEE EMPLOYEES

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 91-794) on the resolution (H. Res. 764) authorizing payment of compensation for certain committee employees, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. Res. 764

Resolved, That there shall be paid out of the contingent fund of the House of Representatives such sums as may be necessary to pay the compensation for services performed during the period beginning January 3, 1970, and ending at the close of February 28, 1970, by each person (1) who, on January 2, 1970, was employed by a standing committee or any select committee of the Ninety-first Congress and whose salary was paid under authority of a House resolution adopted during the Ninety-first Congress, and (2) who is certified by the chairman of the appropriate committee as performing such services for such committee during such period. Such compensation shall be paid such person at a rate not to exceed the rate he was receiving on January 2, 1970.

With the following committee amendment:

On page 1, beginning on line 9, immediately following the word "Ninety-first" delete the word "Congress," and insert in lieu thereof the following: "Congress, or who was appointed after January 2, 1970 to fill an existing vacancy or a vacancy occurring subsequent to January 2, 1970."

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I shall be very happy to yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I would hope that the distinguished gentleman from Maryland, chairman of the Committee on House Administration, would explain the basic necessity for House Resolution 764.

Mr. FRIEDEL. Mr. Speaker, if the gentleman will yield, I shall be happy to do so.

Mr. HALL. Probably during the course of his explanation he may answer some of the questions I have in mind in his usual complete explanation and, if not, I would have, maybe, two or three questions if the gentleman will yield further.

Mr. FRIEDEL. Yes; I shall be glad to explain the resolution, and yield for any additional questions the gentleman may have.

This is a continuing resolution for the standing and select committees of the House of Representatives. It authorizes necessary funds to meet the payrolls of the investigative staffs of committees during January and February 1970, should such funds be needed. Several committees have exhausted their operating funds and it will be possibly late February before additional funds can be authorized. No new personnel could be paid from funds authorized by House

Resolution 764; however, in case there is a vacancy, it could be filled. In order to be certain all personnel will be paid on time we have to pass this resolution, because there are quite a few committees which are now low on operating funds. This will give our Accounts Subcommittee and the full House Administration Committee greater opportunity to thoroughly scrutinize each committee budget when the various committees appear for 1970 operating funds.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, I appreciate the explanation made by the gentleman from Maryland, and from what the gentleman has said I can determine that this is a continuing resolution at the same basis as passed by the House last year until such time as the various committees can come forward and ask for new funds for the necessary funding for their committee hire, or professional staff hiring, and be passed upon in separate actions by this House.

The question then arises, Mr. Speaker—

Mr. FRIEDEL. Mr. Speaker, if the gentleman will pardon me, these funds apply only to the salaries of the investigative staffs of committees, and not to the regular staffs as authorized each committee under the Reorganization Act of 1946 and reflected in the rules of the House.

Mr. HALL. I thank the gentleman, Mr. Speaker, and I presume then that it is the determination of the Committee on House Administration that this might take the full 2 months, from January 2 until February 28, or the end of the second month of this second session; is that correct?

Mr. FRIEDEL. That is correct. In other words, this additional time will permit more careful deliberation on the budgets of each of the committees that come in and ask for funds for 1970. That is why the resolution goes to February 28, so as to give us time to go into these matters in depth.

Mr. HALL. Mr. Speaker, I commend the committee, and I certainly commend them for further and more careful deliberations about each one of these committee requests, as sometimes they do seem excessive to the contingency fund. But as far as item 2 is concerned, I think I now understand the first numbered clause, that is those who on January 2 were employed by the standing committees or select committees, I think I understand that.

But is the Committee on House Administration not concerned lest the prerogatives of the individual chairmen of the appropriate committees as to certification be excessive? In other words, would it not be possible, since we did not reconvene for the second session until the 19th of January, for any committee chairman to certify a new employee between the 2d of January and the 19th of January under clause 2 herein, regardless of action of the rest of the committee, regardless of the House rules; is this not unduly lax in the opinion of the distinguished gentleman from Maryland?

Mr. FRIEDEL. I would state to the gentleman from Missouri that the an-

swer is "No." The resolution specifies that no new personnel may be added after January 2, 1970, under this authorization. This is the form of the other resolutions that we have passed in previous years.

Mr. HALL. Mr. Speaker, I would further ask the gentleman from Maryland if this is a customary procedure at the beginning of the second session of a Congress, or is this a new departure?

Mr. FRIEDEL. This has been done on previous occasions at the beginning of a Congress. Because of 1-year budgets and 1-year funding of committees, some error in calculating expenditures may be expected. This is actually a tribute to close funding of committees as there would be no need for this resolution if committees had surplus funds.

Mr. HALL. Finally, Mr. Speaker, is it the opinion of the gentleman from Maryland, the chairman of the Committee on House Administration, that numbered clause 2 does not embrace the appointment of new members to the committees, either standing or select, of the House during that period of time?

Mr. FRIEDEL. Mr. Speaker, I am not quite sure that I follow the question asked by the gentleman from Missouri.

Mr. HALL. New staff members?

Mr. FRIEDEL. New staff members?

Mr. HALL. Yes.

Mr. FRIEDEL. No, clause 1 states, in effect, that in order to be paid from funds authorized by this resolution an employee must have been on the payroll on January 2, 1970, except in the case of filling a vacancy. This precludes employing new personnel just to benefit from this additional authorization established by House Resolution 764. Clause 2 merely provides that an employee who is paid under the provisions of House Resolution 764 must have his chairman's certification that he actually worked during the period involved.

Mr. HALL. Mr. Speaker, I thank the gentleman for his explanation, and as I understand, then, this is the language that has always been used, but I must point out to the Members that it seems inconsistent to me that under numbered clause 2 there could be a new professional staff member appointed by the chairman of any appropriate committee to perform such services in this interim as might be desired, and then that his compensation would be paid at the rate not to exceed that which he was receiving on January 2, 1970. To me this would preclude the new appointment by any of the chairmen, and I want to make this legislative record.

Mr. FRIEDEL. The employee cannot be paid higher than he was paid last year, and new employees can be added only in the case of a vacancy on the committee staff and this will give the authority to fill the vacancy at the last year's salary for that vacancy.

Mr. HALL. Mr. Speaker, I thank the gentleman for his explanation, and I appreciate the gentleman from Maryland yielding to me.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE SCHEDULE FOR THE DISTRICT OF COLUMBIA COMMITTEE

(Mr. ADAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ADAMS. Mr. Speaker, I read with dismay last night of the proposed legislative schedule for the District of Columbia Committee as stated by Chairman McMILLAN. I found the article in the Evening Star very disturbing.

We have had pending in committee since October 2, 1969, Senate bill 2163 to establish a nonvoting delegate for the District of Columbia. We have had pending since October 2, 1969, Senate bill 2164, the combined Charter Commission and Little Hoover Commission bill. We have had pending since September 23, 1969, the Nixon administration's bill to reorganize the courts. All these bills were sent to the House by the President on May 13, 1969.

None of us on the committee have had a chance to have hearings on these bills except for hearings held in subcommittee on the court reorganization bill. The committee has not been informed of the findings. Neither have we been informed if other hearings will be held on the other bills.

Congressman DIGGS has requested action on certain of these bills since June 13. Congressman FRASER has requested action on these bills since June 24. I have both written letters to the chairman and openly asked Congressman DOWDY, in a regular meeting of the District of Columbia Committee to bring these bills up for hearings and action so they could be sent to the President for his signature.

These bills were recommended to the Congress by the Nixon Administration and have received bipartisan sponsorship and support by a majority of the District of Columbia Committee.

I want to know when we are going to vote on these three bills. I am prepared to vote for the three bills today in the form presented to the committee by the Senate.

I am asking the House leadership to meet with the leaders of this committee and move these bills. I am also requesting that action be taken on these bills by the regular March meeting of the District of Columbia Committee. This gives 45 days for hearings and appropriate action on these bills.

SCHOOL FRUSTRATION

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. NICHOLS. Mr. Speaker, the people of Alabama are extremely bitter about the confusion that reigns in our public school system because of recent Supreme Court decisions. These decisions have been made without regard for the students or the educational opportunities which schools are supposed to provide. One of the best descriptions of the frustration which school officials, teachers, parents, and students feel was con-

tained in an article written by David Lawrence recently. This article was printed in the Birmingham News, as follows:

SCHOOL FRUSTRATION
(By David Lawrence)

WASHINGTON.—Probably few people realize the feeling of helplessness and frustration that pervades the public school systems in the South today, particularly among the teachers. A woman who has been for 14 years a teacher in Atlanta, Ga., has written a letter to President Nixon to tell him what is really happening to education because of the failure of the courts to give adequate time for the adjustments necessary to deal with racial desegregation in the public schools.

The teacher points out that Atlanta has made every effort to meet each requirement by the federal government, and the school system at large has adopted the 58 per cent white to 42 per cent Negro ratio required for the faculty. But it appears this isn't enough, as the federal court now is ordering that the faculty of each individual school must be integrated to that percentage and, as the Atlanta teacher writes, "worst of all, in the middle of a school year." She adds:

COMPLETE HAVOC

"Mr. Nixon, how can anyone fail to see what complete havoc will result from the transferral of approximately 1,700 teachers from one school to another in midyear? Any teacher can tell you what emotional turmoil this will create in the classrooms of Atlanta for both teachers and students alike. It surely would not take a teacher to understand the delay in the learning situation itself which would, of necessity, result from a change of this type.

"Any educator can tell you that a teacher spends much time and effort building up a good 'class climate' and an inter-relationship with his or her students which is conducive to good learning. This is not to mention the obvious fact that it takes time for a teacher to achieve a knowledge of the learning differences, both abilities and difficulties, of each of the children in the class. This is true not only with an elementary teacher with her average of 35 pupils, but more especially with a high-school teacher with a daily load of perhaps 150 different students.

"I mention this to try to bring out the point that if it is quality education—the type of situation that is best for each child in a school system—that the federal government is concerned about and is making an effort to achieve, then there needs to be some re-thinking done, because such a step as this cannot fail to bring about the opposite result."

The teacher not only speaks of the disastrous effects of the changes taking place in the middle of the school year, but emphasizes also the inconveniences to the teachers of both races in finding it necessary to travel considerable distances twice each day to go to a school far from their own neighborhoods. This, she declares, has "built up a resentment which is unequal to any we have yet felt."

There are some points which the Atlanta teacher didn't mention. Is the federal government, for instance, taking over the running of the public schools of the country? Originally the states were supposed to manage and operate the educational system. If fundamental changes are to be made, certainly ample time for readjustments would seem to be logical. But the courts also have stepped in and even fixed dates on which specific steps must be taken. Never has the judiciary so arbitrarily interfered with the operations of the educational system as it has in the last few months.

BITTERNESS DEEP

The bitterness in the South is deep, not because of desegregation but because of the

unfair tactics being used to accomplish it. Most of all, the people resent the fact that schools in other parts of the country are permitted to have segregation—in suburban areas as well as in the cities—and nothing is being done to apply the same rules outside the South that are being imposed in the South.

THE LATE MRS. LOTTE SCHARFMAN

(Mr. BURKE of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, it was my sad fortune to learn of the untimely death of Mrs. Lotte Scharfman, president of the League of Women Voters in Massachusetts, who passed away suddenly on Tuesday, January 14.

The State of Massachusetts has suffered a great loss with her passing, as Mrs. Scharfman was a most dedicated person, who devoted a numerous amount of time and energy to the league's activities.

A most articulate spokesman, she served her post well, displaying perceptive insight and vast knowledge of the issues facing the Nation and the Commonwealth of Massachusetts.

Mrs. Scharfman, a rare and devoted woman, was held in high esteem by those who's life she touched, and to her family go my deepest sympathy at their great and untimely loss.

At this time I submit the following articles concerning Mrs. Scharfman, which appeared in the Boston Globe and the Boston Herald Traveler:

[From the Boston (Mass.) Herald Traveler, Jan. 15, 1970]

LEAGUE OF WOMEN VOTERS PRESIDENT: MRS. SCHARFMAN DEAD AT 42

Mrs. Lotte Scharfman, president of the Massachusetts League of Women Voters since May, died unexpectedly Tuesday night. Mrs. Scharfman, who would have been 42 yesterday, was taken to Mount Auburn Hospital, Cambridge, after being stricken at her home.

Services will be at 11 a.m. today at Temple Emunah on Piper road, Lexington.

Her death came one week after she had presided at a meeting of league members from throughout the state to acquaint them with proposed legislation. The league is engaged in a drive to cut the size of the House from 240 to 160 members.

On Monday night, the day before she died, Mrs. Scharfman debated the cut in the Legislature with House Speaker David M. Bartley on a Worcester television station.

She had pressed the campaign to have the question placed on the ballot in accordance with her belief that the people had the right to decide the issue.

One of her colleagues said Mrs. Scharfman "knew where every vote was" on the proposal, which has been passed by the Legislature once and will go on the ballot as a referendum if it is passed again this year.

Her friends in the 13,000-member league also knew Mrs. Scharfman as a woman typical of a citizen alert to her duties in a democracy. This stemmed in part from her experiences as a girl in Vienna, Austria, where she was born. She was 10 years old when she had to flee with her family in 1938 to escape the Nazis.

Of this experience, she said: "Perhaps

that is why democracy is more important to me. I know what can happen if citizens cease to be diligent."

This quality in Mrs. Scharfman was recognized yesterday by House Speaker Bartley, who said, "She was a dedicated and diligent person, and the league and the commonwealth are poorer for her passing."

As Lotte Elchenwald, she entered Mt. Holyoke College, in 1944 at the age of 16, six years after a relative provided her family with visas to come to New York from England.

She had intended to become a doctor like her late father, Dr. Paul Elchenwald, who was a surgeon.

These plans changed, however, after she met Howard Scharfman while the two were serving as counselors at a summer camp in Western Massachusetts.

They were married in 1949, a year after Mrs. Scharfman had graduated from Mt. Holyoke. She earned her master's degree in social work at the University of Washington.

She mentioned her husband, who is an engineer for the Raytheon Co., after becoming the new president of the league.

"This may sound corny," she said, "but Howie doesn't mind me being involved with league work. He feels I am his social conscience. He's terrifically involved with his job and doesn't have time to get involved himself."

Mrs. Scharfman made it clear, however, that her principal concerns in life "are my family and the league . . . in that order."

She joined the League, she said, when her son Paul was 15 months old, "mainly because I was desperate for some adult conversation that didn't involve the croup or the latest virus."

Besides her husband and her son, Paul, she leaves a son, Danie, and a daughter, Helen; her mother, Mrs. Rosa Klausner of Scarsdale, N.Y., and a sister, Mrs. Mazda Nemlich of Scarsdale.

In a tribute, Senate President Maurice A. Donahue (D-Holyoke), said: "I was sorry to hear of the sudden death of Mrs. Scharfman. She was a very articulate spokesman for the league, whose devotion to her organization's activities, high intelligence and obvious leadership qualities won her the respect of all who knew her."

"I express my sincere condolences to her family on their great loss."

House Speaker Bartley, in his statement, said:

"It was with a deep sense of shock that I learned of the death of Mrs. Scharfman."

Mentioning their televised debate Monday night, he said it concerned "perhaps the only major issue and substantive issue over which the league and I disagreed."

[From the Boston (Mass.) Globe, Jan. 15, 1970]

MRS. LOTTE SCHARFMAN: A "SOCIAL CONSCIENCE" DIES

When Lotte Scharfman was 10 years old she and her family fled the Nazis in her native Austria and, after a brief stay in England, came to the United States.

It was an experience she never forgot.

"Perhaps that is why democracy is more important to me," she once said. "I know what can happen if citizens cease to be diligent."

Her sense of civic involvement led her to join the League of Women Voters in 1955, and her dedication and leadership caused her fellow members to elect her president of the Massachusetts League last year.

Her sudden death yesterday at her home in Lexington on her 42nd birthday shocked her friends and associates and prompted them to recall her dedication to both her family and the league.

She became seriously ill late Tuesday, a

family spokesman said, and died after midnight. The exact cause of death has not been determined.

"She taxed her strength and pushed herself," the first vice president, Mrs. Norman R. Jacobsen, of Arlington, said. "She was committed to the league—but to her husband and family first."

Mrs. Jacobsen will serve out the rest of Mrs. Scharfman's term as president, which will expire in May of next year.

Mrs. Scharfman was born in Vienna, a daughter of a surgeon, the late Dr. Paul Eichenwald. She left Austria with her parents and sister in 1938. A red haired and hazel eyed woman with a sense of humor, she discussed her experiences as a refugee freely and without bitterness, friends said.

"She spoke lovingly of her mother and the strength she showed then," Mrs. Jacobsen said, "and she was grateful that she could come to this country and live out her life here."

Mrs. Scharfman's mother, now Mrs. Rosa E. Klausner, lives in Scarsdale, N.Y., and is an active League member. A sister Mazda also lives in Scarsdale.

In 1944, Mrs. Scharfman, then Lotte Eichenwald, enrolled at Mount Holyoke College at the age of 16. While working at a summer camp in western Massachusetts between her junior and senior years, she met Howard Scharfman, a fellow councillor.

Scharfman, now a Raytheon Co. executive, had just been discharged from the Army and was working on his master's degree at Northwestern University in Chicago.

They were married in 1949, the year after she graduated from Mount Holyoke, and moved to Seattle, where Dr. Scharfman got a job with Boeing Aircraft and his wife a master's degree in social work at the University of Washington.

Later, they moved to Baltimore, where she did social work and he studied for his doctorate at Johns Hopkins University. In 1955 the Scharfmans moved to 23 Whipple rd., Lexington, and Mrs. Scharfman joined the League.

"This may sound corny," she once told an interviewer, "but Howie doesn't mind my being involved with League work. He feels I'm his social conscience. He's terrifically involved with his job and doesn't have time to get involved himself."

The Scharfmans have three children—Paul, 16, Daniel, 11, and Helen, 9, "My main concerns in life are my family and the league—in that order," she said.

The League is now campaigning to reduce the size of the Massachusetts House from 240 members to 160, and Mrs. Scharfman threw herself into the campaign with characteristic enthusiasm.

Although she had not been feeling well for several days, she left her home Monday to go to Worcester to debate the House cut issue on television with Speaker David Bartley.

"I shouldn't have done it," she told a reporter the next day. "It took all my strength."

Bartley expressed shock at Mrs. Scharfman's death yesterday. He said it was ironic that the debate had been over the House cut, "perhaps the only major and substantive issue over which the League and I disagreed."

Bartley said she "was a dedicated and diligent person, and the League and the Commonwealth of Massachusetts are poorer for her passing."

Senate Pres. Maurice A. Donahue joined Bartley in praising Mrs. Scharfman's devotion to the League and extending sympathy to her family.

A meeting at the League's state headquarters was held as scheduled yesterday "because Lotte would have wanted it that way."

Tributes from public officials and League officers came to the office in a steady stream but were perhaps all summed up by the second vice president, Mrs. Richard Wills.

"Among leaders," she said, "she was a leader."

Services will be held today at 11 a.m. in Temple Emunah, Lexington. Rabbi Herbert Rosenblum will officiate. Burial will be in Westview Cemetery.

[From the Boston (Mass.) Globe, Jan. 15, 1970]

LOTTE SCHARFMAN

She was a rare and special person, one of those few women who can reconcile intelligence and wit with a feminine gaiety that lightened the lives of those around her. She was a lady.

Mrs. Howard Scharfman of Lexington, president of the League of Women Voters of Massachusetts, sound formidable, and she was. She was also "Lotte" to all kinds and conditions of men and women who fought with and for her politically, and unanimously respected her honesty and dedication.

In a time when words like involvement, commitment and concern are rather lightly tossed about, Lotte Scharfman represented the real thing.

She was smarter than most of the people she talked with, but she never made them conscious of it. She was utterly fair and so honest as to care deeply about the precise meaning of her words.

At the time of her death yesterday morning, she was approaching the critical struggle of the League's long fight to reduce the size of the House of Representatives. She said she thought the League was going to win, and you knew she meant it, because she always meant it. She was a politician in the best sense of the word, and her word was good.

Speaker David M. Bartley, her constant adversary in this fight, said of her, "She was a dedicated and diligent person and the League and Massachusetts are poorer." Another one of her opponents on the issue said it shorter, and, perhaps, better: "She was a great gal."

NATION'S SCHOOL FINANCIAL CRISIS

(Mr. MADDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MADDEN. Mr. Speaker, I think it is a great interest to the Members of Congress, both of the House and particularly our colleagues in the other body who are this afternoon voting on the education appropriation bill for the coming year to know that there are a number of school strikes over the Nation caused by the deplorable lack of funds to educate the multimillions of American children of school age.

Today is the 10th day of a school strike existing in the city of Gary, Ind. Approximately 48,500 students have been deprived of any educational training since January 10. In a telephone conversation a few minutes ago with Gordon McAndrew, superintendent of the school system of Gary, he informed me that several meetings have taken place between the school officials and the various unions demanding increased wages for the Gary schoolteachers. No decision is looked for in the immediate future.

Gary, Ind., is one of hundreds of cities, especially in large urban areas that lack funds to properly carry on American education facilities by reason of inflation, high cost of living, and a general breakdown of public school finances over the country. No doubt, un-

less something is done by the Federal Government to help finance this Federal crisis especially in metropolitan areas, the year 1970 might bring about a breakdown of our educational system in many localities throughout America.

I have received many telegrams from Indiana asking that everything be done to persuade the executive department to cooperate with Congress in providing funds for American schoolchildren. I wish to hereby read telegrams I received today from Mayor Richard Gordon Hatcher, of Gary, Ind., and Gordon McAndrew, superintendent of schools, asking Federal aid in settling this strike and also money to help the exploding population of our industrial community educate the children in the crowded school rooms of the Indiana-Calumet region.

Mr. Speaker, I include two telegrams I received this morning on the Gary school crisis:

GARY, IND.,
January 20, 1970.

HON. RAY MADDEN,
Washington, D.C.:

We have today sent the following telegram to Secretary of Health, Education, and Welfare Robert Finch:

"The strike of public school teachers in Gary is the result of a financial crisis. It is added unhappy proof that this Nation does not have the monetary resources to put \$80 billion a year into arms and war and at the same time educate our children. Gary's situation is duplicated in many other cities and for the same reasons. We urge you to impress upon the President that national priorities must be reversed. The billions currently spent on war must be channeled into education, housing, welfare, and other constructive purposes. Until that happens local funds are not sufficient to meet our needs therefore we request that you allocate emergency funds to Gary, so we can meet the wage demands of our teachers which negotiators have already agreed are justified. May we ask your support in this action."

GORDON McANDREW,
Superintendent of Schools.
RICHARD G. HATCHER,
Mayor.

BLOOMINGTON, IND.,
January 15, 1970.

HON. RAY J. MADDEN,
House Office Building,
Washington, D.C.:

Priority for education in United States should be established now. If called upon urge your vote for veto override on H.R. 13111.

RAYMOND S. BUTLER,
Executive Secretary, Indiana Conference of Higher Education, Indiana University.

MIDDLE EAST POLICY

(Mr. FISH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FISH. Mr. Speaker, I am most pleased to join with many of my colleagues who are concerned with the change in our foreign policy with regard to the Middle East and particularly with our position vis-a-vis Israel and the face-to-face negotiations between Israel and her Arab neighbors. Many of us believe face-to-face negotiations is the only way lasting peace will come to this area of the world.

With the announcement this past

weekend of continued hostilities, air attacks, commando raids, and artillery shelling, it is most timely that a resolution clarifying American policy was introduced January 19, the first day of this session of Congress.

It is a simple resolution that very clearly says:

The House of Representatives affirms the long standing United States policy calling for direct face-to-face negotiations between the government of the nations involved.

This is consistent with the 1969 declaration by a majority of both Houses of Congress:

The United States should oppose all pressures upon Israel to withdraw prematurely and unconditionally from any of the territories which Israel now administers.

In addition, I am writing a letter to Secretary Rogers expressing my concern over our apparent change in policy.

For the information of my colleagues I insert in the RECORD a copy of my December 17, 1969, letter to Secretary Rogers:

DECEMBER 17, 1969.

HON. WILLIAM P. ROGERS,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: There are aspects of the premature American evacuation of the U.S. Air Force Wheelus Base in Libya that have aroused my concern.

As you know, Mr. Secretary, the recent leftist coup in Libya represented the seizure of power by a clique friendly to the Soviet Union and antagonistic to the United States. It is my understanding that the United States had a contractual agreement to use the Wheelus Base until the end of 1971. Yet two years ahead of schedule the new leftist Libyan regime is arbitrarily kicking us out.

Mr. Secretary, I think it should be clarified if the Executive Department intends to inform the Congress and to consult with us on the steps taken to assure that strategic installations and equipment are not abandoned for possible Soviet use at Wheelus. Have such steps been taken? If so, I respectfully request to know in specific the provisions for removal of radar facilities, workshops, meteorological installations, defense systems, and anything else that might be of use to the Soviet Union.

Since Soviet units, naval and air, have used bases in Egypt, Syria, Yemen, and Algeria, it is reasonable to assume that Russian military forces will have access to Wheelus. As you know, the defense funds of the United States are restricted by economy needs. The Wheelus facilities cost us hundreds of millions. Since Libya is prematurely cancelling its contractual obligations, I am sure you agree that we should not abandon anything of value for leftist military use.

I am sure you are aware that Wheelus was the most important training facility for our Air Force outside the United States. It was important for our NATO squadrons and a key factor in the defense of free world interests in the Mediterranean. We may not be able to retain a presence at Wheelus. But at least we should not present the Libyan leftists with a "give-away" worth hundreds of millions.

Indeed, Mr. Secretary, I would like to be able to inform constituents who served at Wheelus—and have raised questions—on whether we are not in our rights to destroy, if necessary by demolition, such facilities built by us that could be used by the Russians or leftist military forces. My constituents are thinking of the jeopardy created for the United States Sixth Fleet which re-

mains exposed in the Mediterranean, already harassed and shadowed by Soviet naval and air units based in Arab states.

I would deeply appreciate an unclassified answer because I feel that my constituents are entitled to know how the government disposes of military installations financed by their taxes—especially in a situation involving our security and national self-respect.

With assurances of highest personal regards,

Sincerely,

HAMILTON FISH, Jr.,
Member of Congress.

I believe we in Congress, the representatives of the American people, and, yes, of the Israelis whom we have supported in the past, deserve a full and complete and immediate explanation of our apparent change in policy and our handling of the Wheelus Air Force Base affair.

I would respectfully suggest that a full-scale open public inquiry into these matters be conducted by the House Foreign Affairs Committee at the earliest possible moment.

FUNDS FOR COMBATING CRIME

(Mr. McCLODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

MR. McCLODY. Mr. Speaker, I welcome the announcement by Attorney General Mitchell yesterday of the distribution by the Law Enforcement Assistance Administration of Federal funds to State and local governments for planning and action programs to combat crime. The Justice Department is to be commended for its prompt work in translating the fiscal year 1970 appropriation for the Law Enforcement Assistance Administration into meaningful grants with which the States and localities can deal. I am especially pleased with the sevenfold increase in funds for planning and action grants over those awarded in fiscal year 1969. My own State of Illinois will this year receive in excess of \$10 million in law enforcement assistance.

Mr. Speaker, the fiscal year 1970 appropriation of \$268 million for the LEAA, is a great deal of money. It is especially a great deal of money for government to spend during a period of serious inflation. However, it is undeniable that the problem of crime in America demands solution. As Attorney General Mitchell himself stated in an address to the Republican Governors' Association in December:

Something has gone terribly wrong in America, particularly in the criminal justice system—the police, the courts, and corrections. Police do not prevent enough crime . . . courts are so clogged . . . that felony defendants frequently are not brought to trial until a year or two after arrest. Corrections is failing in its great task of protecting society while rehabilitating offenders.

Criminal justice is a huge operation in America. There are, after all, 50 States, some 18,000 cities and 3,000 counties in this country, all with a stake in crime prevention. If the Federal Government is to provide help, funds must be author-

ized and appropriated promptly by the Congress, distributed promptly to the States and utilized wisely at the local level. As a member of the Committee on the Judiciary, I expect to be working early this year on a new authorization for the Law Enforcement Assistance Administration that will add greatly to the funds available for that agency. I am certain that the Committee on the Judiciary understands the urgent need, and I am equally certain that the Members of this House share the committee's concern and understanding.

Mr. Speaker, the money which was appropriated for LEAA in the past has been well spent. All 50 States have developed comprehensive law enforcement improvement plans and each is using its share for the kinds of projects it finds particularly necessary. Illinois, for example, is using some of its 1969 grant to develop new programs to control organized crime and for public education programs concerning narcotics. Other States are strengthening their prosecutors' offices, improving police training and selection, training juvenile court staffs, and creating new police communications systems.

Encouraged by the Federal entry into the field of law enforcement, my State of Illinois is making expenditures for criminal justice far beyond that necessary to meet its commitment to the LEAA. A total of \$7.5 million was appropriated by the State for fiscal year 1970 for use in criminal justice improvement. According to a statement of John F. X. Irving, executive director of the Illinois Law Enforcement Commission, \$5 million out of the total of \$7.5 million, is being allocated for the following seven major programs, which will be funded exclusively with State funds:

First, training opportunities for criminal justice personnel including police, probation and parole officers, institutional staff, school guidance counselors and others who work in the system;

Second, creation of a 4-year College of Police Science, Law Enforcement, and Corrections;

Third, expansion throughout the State of the embryonic law enforcement agencies data system into a total automated criminal justice information exchange system;

Fourth, a crime statistics center for data gathering;

Fifth, creation of five satellite crime laboratories—the State now has two—plus 10 crime scene units and five polygraph operators, thereby making the most scientific techniques for analyzing evidence and crime scene coverage readily available to all law enforcement agencies;

Sixth, installation of emergency radio units in most patrol cars; and

Seventh, development of intensive local police-community relations programs.

Mr. Speaker, the announcement by the Attorney General yesterday of the fiscal year 1970 grants to the States makes mention also of the research and development arms of LEAA, the National Institute of Law Enforcement and Crim-

inal Justice. As the author of the amendment in the House to establish the Institute, it was my expectation that through grants, studies, research, and the collection and dissemination of information, the Institute would serve as the focal point for advancing modern techniques for combatting crime. I am pleased so far with the progress of the Institute and, although funds for its support have been somewhat limited. I am hopeful that in the coming year we will recognize the need for greater support for the research and development aspects of the attack on crime.

The Institute's research program for fiscal year 1970 encompasses, among others, the following areas of inquiry: First, new equipment and improved communications for police forces; second, development of automated identification procedures and voice print identification; third, studies of organized criminal activity; and, fourth, what has traditionally been called "white collar crime."

Mr. Speaker, again I congratulate the Justice Department for its prompt action. The States must now proceed with the wise and careful use of their grants. Meanwhile, we in the Congress must begin preparations for an increased Federal role of cooperation and coordination for fiscal year 1971.

THE NEED FOR ASSISTANCE TO THE EDUCATIONALLY DISADVANTAGED

The SPEAKER. Under a previous order of the House, the gentleman from Kentucky (Mr. PERKINS) is recognized for 60 minutes.

Mr. PERKINS. Mr. Speaker, assuming that the HEW appropriation bill is vetoed—and I for one certainly hope that the President will not veto the bill—but assuming it is, I hope the Members will read the hearings that were conducted last year on the Elementary and Secondary Education Act, and particularly the testimony on the impacted areas legislation.

Mr. Speaker, I learned last week that a systematic campaign was apparently being developed to discredit the conduct of education programs under the Elementary and Secondary Education Act.

Reckless charges are being made that title I funds are not reaching the children for whom Congress intended the programs to operate.

When this was first brought to my attention, I immediately contacted a large number of school superintendents from each State in order to get the facts from the actual school program operating level. The results which I will be sharing with my colleagues from day to day indicate these charges are indeed reckless and without foundation. The questionnaires have been returned in the last several days, so I think it is fair to say that this is the most recent information available upon which to evaluate title I.

The data shows that North, South, East, and West, title I funds are effectively being employed to make great improvements in the achievement of educationally disadvantaged youngsters.

My inquiries disclose without exception that the only serious limitation on program effectiveness at this time relates to the matter of funding.

Almost without exception reporting school districts express an urgent need for more funds than are allocated. Also, there is universal concern over the delay in allocating funds to educational agencies.

As of this afternoon I have received responses from school administrators representing school districts serving 1,035,107 children, of which approximately 172,940 are the beneficiaries of title I programs.

In fact, it was not uncommon for school administrators to respond in connection with the effectiveness of programs that the title I projects were the most effective Federal projects.

As the school superintendent in San Jose, Calif., put it:

Our Title I programs are urgently needed—only one-third of the elementary and none of the secondary school children who need the services of the projects are receiving them.

As to the effectiveness of the programs his comment was an emphatic:

Yes—and we have test data to prove it. We can document who is being served, that the services are effective, and can show community support for expansion.

The nature of my inquiry with the school administrators as will be reflected by the questionnaires I shall place in the record show a steady decline year to year in the amount of the title I grant for such school district.

The amount of funds provided by the House-approved conference report on H.R. 13111 will not permit any great forward movement in these title I programs but will simply restore them to their operating levels of 1968, a point of funding which school administrators universally indicate is rockbottom essential. I want my colleagues to note the steady decline in the total amount of the grant to each school district since fiscal year 1968, which the answers to the questionnaire show.

Even with the amounts provided in H.R. 13111, title I of the Elementary and Secondary Education Act will be substantially less than 50 percent funded.

I think that it is tragic that at this particular time we should be debating the override of the Presidential veto of funds which only fund these education programs at something less than 50 percent. We should be debating the full funding of education programs.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I wish to commend the gentleman from Kentucky, the chairman of the Education and Labor Committee, for calling the attention of the Members of this Congress to the serious educational crisis our Nation is facing today. A few moments ago I spoke to the House Members about the school strike that is now taking place in Gary, Ind. That is merely one of several school strikes taking place over the Nation because of inflation

and the high cost of living and the low salary of the teaching profession.

About 72 percent of the Nation's population now resides in the metropolitan areas, the property owners of the city areas cannot endure the heavy tax load on their homes—cost of living and the added school tax load.

When the President of the United States threatens to knock out \$1 billion and a couple hundred million from the school budget, he is defying all the principles of the educational processes that American fathers and mothers hold for the hopes of educating their children.

I do not know how long the school strike will last in Gary, but it is caused by the increase in population coming into that industrial area. Large farm corporations over the country are buying up millions of acres of farmland in all sections of our Nation and are driving tenants off the farms into the cities.

These tenants have to go into the metropolitan areas with their families to get work. That has been happening ever since this \$3½ billion farm subsidy has been inflicted, one might say, on the Federal taxpayer. Today there are thousands of mammoth farm operators collecting millions and millions of dollars from the Federal Government for idle land. These tenants go into Chicago, Los Angeles, New York, Gary, Hammond, Indianapolis, Minneapolis, and New Orleans, and so forth. They have no place else to go.

This administration seems to uphold that great corporate farm racket of a \$3.5 billion subsidy being paid to rich corporation farmers to buy up land and leave most of it idle and then be reimbursed by the Government.

I believe this is one of the great issues we will confront in the campaign this year. If the President vetoes this school bill to save \$1.2 billion added to what he submitted—I want to say it is a shocking situation, and the American people this November will rise up and reflect their minds at the polls. The leaders in Washington should know that the one thing American mothers and fathers will not tolerate is Federal economy at the expense of the schoolchildren of the Nation.

Mr. PERKINS. Let me thank my distinguished colleague for his statement. I can assure the distinguished gentleman from Indiana that we are strangling education almost to the point of destruction not only in the metropolitan areas he describes but also in the rural areas of America.

Only 2 years ago the gentleman from Minnesota (Mr. QUIE) and I and others, took concerted action because of great deficiencies in vocational education funding. At that time we had an authorization for only about \$260 million. Because of the great need, we more than tripled authorizations for vocational education in 1968. Now we are trying to operate the vocational schools on practically the same appropriation, and at the same time we have earmarked 40 percent of the appropriation for entirely new programs of vocational education for the

physically handicapped, the disadvantaged, and at the post-secondary level. As a result, unless we do something about approving right now the additional vocational-educational funds in H.R. 13111 States will have to cut out or greatly reduce ongoing vocational programs.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Minnesota.

Mr. QUIE. I believe the gentleman from Indiana raised an interesting point about rural students who move to the cities. Under title I of the Elementary and Secondary Education Act, where the greatest amount of the elementary and secondary education aid comes, those children are still counted in the rural areas, and many move from the rural areas. That is one of the things which is wrong with title I of the ESEA. The children have moved to the cities. If they are on welfare and the welfare payments are above \$2,000 they are counted now.

There are counties of the country where the children have left and it is pretty hard to find them to spend the money on. This is one of the problems under title I. It has not concentrated on the children with the most severe problems.

We have seen criticisms from various organizations—the NAACP made one recently—that the money was not going to the children it was intended for. I believe there would be much stronger support in the administration, too, if title I of ESEA were actually concentrated on those who need it, and the results would come back to us on the evaluation that the money was wisely spent.

This is going to be solved for the cities under title I of ESEA.

I know that one can get all kinds of comments from school administrators who receive the money. They would like to continue to receive the money, and will always claim it was wisely expended. One of the problems we have is that the evaluation results have not shown to us that that money brought the kind of improvement in education which is needed.

It is better now than it was in the first years, because in the first years the schools had to spend more money and many of them put their money into equipment. The reason for that was the equipment men, the salesmen, came to them and said: "Have you used up your allotment yet?" The school administrator said: "No. We have not figured out a program as yet to spend it on." So the equipment men said: "We have a program here where you can buy this equipment." In that way a tremendous amount of these funds was used for equipment in the first year rather than for programs. That is why we got into difficulty in this respect. There is no way that the State can concentrate the money in those areas where it is most needed, as the gentleman from Indiana (Mr. MADDEN) indicated. There is no way under the formula that we can do it. There is a tremendous problem, as a matter of fact, that the gentleman from Kentucky and I and others on the committee must work out a solution to if elementary and secondary

education is to be as effective a program as we want it to be. We do not want the program cut back if the money is not used as effectively as it should have been. We made a mistake when the administration could not get \$25 million for an experimental program to run it effectively. We made a mistake when the administration could not get money for the dropout program, because both of those programs worked on the causes of the difficulties of education where some people end up as functional illiterates when they finish their formal educational training. I hope that we can work with the administration so that as a result of this we can move toward what I think should be our goal, which is about a quarter of the cost of elementary and secondary education being funded through the Federal Government. I think now with the additional money that was added in the appropriation bill, \$1.1 billion, that there is a tremendous amount available that would not be wisely expended if the administration were forced to expend it.

Mr. PERKINS. Let me say to my distinguished colleague from Minnesota—

Mr. McCORMACK. Mr. Speaker, will the gentleman from Kentucky yield to me?

Mr. PERKINS. I will be happy to yield to the gentleman from Massachusetts, but first may I respond and answer the gentleman from Minnesota.

Mr. McCORMACK. I can answer him very effectively and very quickly.

Mr. PERKINS. Let me say that I do not know of any member on our committee who has been more diligent in trying to improve the educational opportunities for the disadvantaged than the gentleman from Minnesota. However, I think he will have to agree that we conducted—and he sat by my side when we did it—last year the most exhaustive and most complete hearings that have ever been conducted on the Elementary and Secondary Education Act. We invited people from all walks of life to testify. There was no witness turned down who the minority wanted to bring before that committee. Any witness who wanted to come before that committee was afforded an opportunity to testify. No Member of this body was denied the opportunity to bring a witness before the committee. The abundance of evidence we obtained disclosed that the chief obstacle was inadequate funding and untimely authorizations and untimely appropriations. We are requiring educators to row the title I education boat, not with just one oar, but only half an oar. I think when the gentleman from Minnesota looks at the survey responses he will see the reason why we cannot expect optimum results when the Congress has applied money too thinly. And yet the results have been good.

The title I formula applies funds to school very effectively on the basis of need. The important point is that we are only taking care of a portion of the disadvantaged in the elementary and secondary schoolrooms throughout America both in rural and urban areas because of inadequate funding. That is the rea-

son why I am putting in the RECORD, the responses of these people actually at the program operating level so that the Members can look at them tomorrow and the next day and the next day, and I hope for the next 2 weeks before this veto message comes up here.

By that time, I think we will see just what is taking place in the various school districts throughout America. Yes, we will have to take the comments and assume that the school people are giving us true facts. I do not know who else to go to. I do not think we should tolerate at this late hour a campaign against funding these programs, a campaign of accusations completely contrary to the facts which our committee has been supplied in extensive hearings and contrary to the most recent data received this week which I am placing in the RECORD today and the remainder of the week.

Mr. McCORMACK. Mr. Speaker, will the distinguished gentleman from Kentucky yield?

Mr. PERKINS. I yield to the distinguished Speaker.

Mr. McCORMACK. Mr. Speaker, the threat by the President to veto the education and health appropriation bill, approved by an overwhelming majority of both Democrats and Republicans in Congress, clearly places the spotlight directly upon the administration's confused views of this Nation's real needs.

The Congress placed a high priority on health, food, education, and clean air. The President's advisers, including Health, Education, and Welfare Secretary Robert Finch, have tried to misdirect the issue and confuse the realities of the situation by calling this inflationary. The issue is not inflation. Rather, the issue is meeting the needs of America for our children, health research and training medical personnel to meet our health care needs. Obviously, the administration has decided to make the education and health programs bear the major burden of the effects of accelerated inflation under this administration by asking for less for schools and health. I do not understand what sort of logic the administration is using in this matter, but I cannot believe that an additional billion for schools, libraries, colleges, vocational education, handicapped children, the mentally retarded and control of air pollution is any more inflationary than a billion more in foreign aid, as firmly as I believe in foreign aid.

The overall bill for the Departments of Labor and Health, Education, and Welfare, the appropriation bill, carried a grand total of \$19,747,153,000, representing a reduction from the budget request of \$19,834,125,700. So the appropriation is less than the budget estimate. Where does the cry of inflation come in under those circumstances, particularly in view of the reduced reduction in appropriations that were made by Congress in connection with other bills?

The chief increases in the Department of Health, Education, and Welfare were the Elementary and Secondary Education Act funds from \$405 million to \$717 million, and impacted areas assistance from \$202 million to \$600 million.

Mr. Speaker, assuming that the veto is sustained and that another appropriation bill comes in, is there really any doubt but what the impacted school areas assistance appropriation will be increased again to the \$600 million? There is no question about that.

Mr. Speaker, the various programs carried on by the National Institutes of Health are also increased from \$1,452 million to \$1,550 million. What did this increase include? It included the Institutes for Cancer, Heart, Child Health, Human Development, Eye, Environmental Health Sciences, and so forth.

That is what the issue is, it is not the issue of inflation in this bill because the overall appropriation is less than the budget estimates of the administration.

Let us see what happened on the adoption of the conference report, and if it is vetoed this will be the same because the veto would contain the provisions of the conference report.

On December 22, 1969, the conference report was adopted by a vote of 261 to 110. Democrats voting: For it, 175; against it, 25. Republicans voting: For it, 86; against it, 84.

So what are those 86 Republicans going to do who voted for it? How are they going to explain it, if they vote to sustain the veto, when only a month or so ago, or less than a month ago, they voted for the very same bill in the conference report? Are they going to take the inconsistent position of going up the hill a month ago and then going down the hill in a few days from now when the veto is made?

So that the clear decision follows that it is not inflation, the record is clear in that respect. The overall appropriation bill is less than the budget estimate. So that the issue of inflation is an erroneous one injected for the purpose of trying to deceive or to try and mislead.

What is involved here is education. Furthermore, as I have said, if a veto is sustained, when the appropriation bill comes in later, these very same items, both of them, will be put back, unless the committee includes it in the appropriation bill. As I said, the impacted school aid assistance is going to go back in, you and I and my Republican friend know that. So that the situation is rather very clear that inflation is not involved.

So as I say, it is going to be very, very interesting to see how those 80-odd Republicans who voted for the conference report are going to vote if a veto comes back.

Mr. PERKINS. Mr. Speaker, I certainly want to compliment you for your statement. I agree with you that the issue here is not inflation, the issue is whether we are going to abandon many worthy educational programs that we put on the books in the last few years.

Further, I feel as you feel that if we get the 86 Republicans who voted for the conference report in the House that we will override the veto.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield further?

Mr. PERKINS. I yield further to our distinguished Speaker.

Mr. McCORMACK. Mr. Speaker, I

thank the gentleman for yielding further.

At the very time our 86 Republican friends voted for the conference report they knew that there was the threat of a veto, so their vote was deliberate, their vote was in the exercise of their judgment in the best interests of education in this country, and in the best interests of medical research that is provided for by appropriation in the bill.

It is going to be very interesting to see how our 86 Republican friends vote, especially when less than a month ago they voted for the very bill in the conference report, if they vote to sustain the veto, if they decide to do so. So it will be most interesting to see how they are going to vote if the bill is vetoed and sent back.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. Mr. Speaker, I will yield to the gentleman from Illinois in just one moment.

First let me state that the Speaker has mentioned that this bill, the HEW appropriation bill, is not inflationary and has stated that he is very much interested in seeing how the 86 Republicans who voted for the appropriation bill in the House will vote on the veto. This is not a partisan matter. I firmly believe that, if the 86 who did vote for the HEW appropriation conference report will still vote to override a veto, that we will certainly override the veto, as we should do.

Education is at the crossroads in this country and, if we fail to override, in my judgment, we are going to tell children, their parents, the teachers, and the school people throughout America that the Congress of the United States is not interested in education, in the educational problems that confront them.

If you travel through the districts of this country—and I travel through mine—I feel confident that you will find the people want us to make this money available for education. It is maintained that we are in an inflationary period, and fighting a war; hence, education spending should be cut. But I think it is clear that preserving the schools and strengthening the future manpower resources of this country commands the highest of spending priorities.

The Congress must exercise its independent judgment and override the veto. I cannot conceive of any of our 86 Republican friends who voted for the conference report doing otherwise.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for yielding.

First, I take issue with the gentleman that we are cutting the education programs by the action which we foresee. Actually, what we are opposed to, and with the President, we are trying to make the point of the outlandish increase over the budget figure and over last year's expenditure level.

In the Department of Health, Education, and Welfare expenditures proposed by the Nixon budget were \$2,300,000,000

over the expenditure level in the year 1969. Now I would also want to correct the record because, in the distinguished Speaker's remarks, he made the point of our actually making the figure \$1 billion below the budget.

I think, in all fairness, what we have to take into account here is that in the conference report we did not include forward funding of \$1,226,000,000 that was in the budget. So, make no mistake about it, the bill is still \$1 billion-plus over the President's budget.

Mr. PERKINS. Let me say to my distinguished colleague, the gentleman from Illinois, that in my judgment we made a serious mistake by not including a forward funding provision in the bill.

I hope in the future we can do something about timely authorizations and timely appropriations. There is only one thing that stands in the way of obtaining optimum results from Federal education dollars and that is untimely authorizations and appropriations.

But I want to pick up just three or four of these questionnaires and take them as they come to refute the statement of the gentleman from Illinois that we are funding at the same level.

The first questionnaire is from Orville M. Bailey, of Lauderdale County, Florence, Ala. They received \$297,201 in 1968. This is the way all of these run. In 1969, they received \$272,607. In 1970 they dropped down to \$245,349, if we permit the administration's viewpoint to stand.

I asked:

What additional funds, if any, could you effectively apply to your title I programs in the fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

That was the second question.

Answer: 1970, they need \$55,000 more.
Answer: 1971, \$155,000 more.

The forward funding provision should have been in the bill for \$2 billion for fiscal year 1971 to let the school people in this country know that we intend to do something for education.

I could go on and on. The second questionnaire is from Tucson, Ariz., Thomas L. Lee, superintendent. There appears the number of children, which contradicts what the gentleman from Minnesota said, the question he raised. We go on down to the question as to the amount they received. In 1968, in Tucson, Ariz., the amount received was \$838,368.76. In 1969, \$775,634; in 1970, there was a cut-back of a third—\$666,121.

What I am trying to get across is that we should fund these programs to the 1968 level, and that is all we will be doing when we override the President's veto. I am most hopeful that we will do it.

I am sure the gentleman from Illinois will review these questionnaires and see how we are starving the same number of children for 1970 compared with 1968, and that is the reason that we need this money.

Mr. MICHEL. Why does the gentleman leave out the year 1969?

Mr. PERKINS. I do not leave out the year 1969. In 1969 there was a reduction below 1968. In every instance you will find that is so in respect to 1969.

Mr. MICHEL. I did not hear any objection of the gentleman—

Mr. PERKINS. I do not want to beg the question with the gentleman, but you will find the figure for 1969. I invite you to review the questionnaires, which contradict your statement.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Minnesota.

Mr. QUIE. Is there any question in the questionnaire which would, through the answers, tell us, or any other information that the gentleman has, as to the number of children participating in title I projects who can now read up to grade level or at a higher grade level than they did before?

Mr. PERKINS. You will find in many of these questionnaires statements of where children have taken tests and they show the advantages that are flowing from the money that is coming into the school districts. That question is directly put in all of these questionnaires, and I think the gentleman from Minnesota will certainly be interested in the answers.

Mr. QUIE. I will say to the gentleman, if he will yield further, that I looked over some of the replies and I have not seen as yet—maybe there are some—where children are now reading up to grade level.

Mr. PERKINS. These are new questionnaires. I prepared the questions when I was in here about 10 days ago, and they are just commencing to come back.

Mr. QUIE. Will the gentleman read the question he asked as to the change in the educational accomplishments of the students because of Federal programs?

Mr. PERKINS. I do not want to take the time, because the accomplishments are all set out in these questionnaires.

Sometimes there will be an extra page. I am sure the gentleman is going to be really informed when he reads these questionnaires.

Mr. QUIE. I am not asking the gentleman to read the answers, which may run a page or so, but I am asking the gentleman to read the questions, which must be quite short.

Mr. PERKINS. I will read the questions. Here is one, from Orville M. Bailey, that I referred to a while ago:

Question: How many children in your district are benefiting from education programs funded under Title I of ESEA?

Answer: To a limited extent all pupils in our system, (8,491) are benefiting from Title I activities, however, approximately 1,825 pupils are involved with concentrated activities, primarily remedial reading.

Question: What is the ADA in your school district grades K-12?

Answer: For 1968-69 school year \$7996.61, for 4th month 1969-70 school year (ending December 5, 1969) \$7941.59.

Question: What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$297,201, 1969 \$272,607, 1970 \$245,349.

Question: What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$55,000, 1971 \$155,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, see attached sheet.

Question: Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comment on these contentions would be appreciated.

Comment: See attached sheet.

I am sure all Members will be enlightened when they read the answers to these questionnaires.

Mr. QUIE. Mr. Speaker, will the gentleman yield further?

Mr. PERKINS. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, the gentleman never asked then specifically about the reading capability of students before title I projects began or those capabilities afterward? Unless children learn how to read better than they did before, they continue to be functionally illiterate. That is really the key.

Mr. PERKINS. I asked the direct question as to the effectiveness of the programs, and many of the questionnaires go into detail, many of them do not discuss it at length, but I am sure the gentlemen will be interested in these answers as to the effectiveness of these programs. That is the question I put to them.

Mr. QUIE. Mr. Speaker, if the gentleman will yield further, can the gentleman specify anything that was stated in any of those questionnaires which indicated the students are now better off than they were before as far as educational achievements?

Mr. PERKINS. Yes, questionnaire after questionnaire makes that completely clear.

Mr. QUIE. Can the gentleman cite one?

Mr. PERKINS. I will not take the time, but I am sure they will be in the Record. I will see that they get into the Record, and the gentleman is going to be interested in the accomplishments and the fact that the students are better off as a result of the legislation and these programs.

Mr. QUIE. I should think the gentleman could quote one anyway.

Mr. PERKINS. There is one thing the questionnaire does make clear, that the students are getting results.

Mr. QUIE. But in which way?

Mr. PERKINS. Upward.

Mr. QUIE. To do what?

Mr. PERKINS. Insofar as educational opportunities are concerned.

Mr. QUIE. Which way is it shown?

Mr. PERKINS. It is going upward.

Mr. QUIE. What are they able to do now they could not do before?

Mr. PERKINS. The gentleman will read these questionnaires.

I know some people contend that the programs have been ineffective, but these questionnaires clearly refute the argument of ineffectiveness that some

people want to advance, and the hearings completely refute that argument.

Let me go a little further. We not only dwell on ESEA, but we want to put some data in the Record on the other programs.

But let us turn now from the field of elementary and secondary education to other educational programs.

The receipt of inquiries to date have concerned themselves primarily with title I. However, surveys which are in process regarding vocational education portray a picture calling for the quick approval by Congress of H.R. 13111 and a funding of vocational education programs at the levels provided in that bill.

As results of these surveys are received, I will be sharing them with my colleagues.

In brief, Mr. Speaker, the crisis in vocational education is the funding of ongoing programs. It will be recalled that the 1968 amendments to the Vocational Education Act required State grants to be employed in several instances in new directions to meet urgent newly developing needs.

With these requirements and no additional funds, many essential ongoing programs will have to be cut back if the Congress does not provide funding at the levels specified in H.R. 13111 as it will go to the President this week.

The situation in higher education is no less severe. I wish to share with my colleagues an article appearing in yesterday's edition of the Chronicle of Higher Education entitled "Reductions in Federal Support Force Colleges To Retrench; Programs Cut, Students Dropped." The article offers numerous examples of the extreme financial stress and strain being felt by institutions of higher education, including a description of the situation at the University of Portland, where 91 students could not continue in college this year because there was not enough money to give them financial aid. About 255 other students applied for help but could "not attend—when we were unable to assist them," the university said.

Letters and comments I have received from other college officials and student aid officers indicate that this is the situation on far too many campuses. It is clear that already overtaxed student aid programs will be unable to meet the increasing requests of needy college students for funds to finance their second semester, unless the level of funding for the student loan program as provided by H.R. 13111 is approved.

Increasing costs require an appropriation far in excess of the level under which the student loan program is presently operating. The difference between the present level and that contained in H.R. 13111 may mean the difference of a college education to the more than 100,000 college students who will be unable to obtain loans if the forthcoming veto is sustained.

When it comes to higher education, Mr. Speaker, and when we just briefly consider the financial crisis—not one which is predicted but one which is now being experienced—we have no alternative but to insist upon the minimum funding we approved earlier this year in H.R. 13111.

I am confident that the House will reject all of these arguments that we do not need the additional amounts for education provided by H.R. 13111. I say that the HEW appropriation bill contains the minimum amount that should be expended for education in this country.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, I thank the gentleman very much.

I certainly concur in your support for education and in your support for these bills that have come before this House, but as a younger Member I have always been quite concerned in the past year and in fact I have been amazed to find so many people who have called for higher expenditures in this field were among those voting against tax increases to pay for the very same higher outlays. It seems to me that if one is to fight inflation, he must fight it on both fronts.

Mr. PERKINS. I only voted against one tax increase in 21 years. With that one exception I have voted for each tax increase.

Mr. RUPPE. I was not particularly addressing my comments to the gentleman from Kentucky but, rather, making a notation on my part that many people throughout this House, and I have to say unfortunately on the gentleman's side of the aisle, consistently and in many cases have voted for more and more spending outlays but are equally consistent in their opposition to any tax increases or any continuation of taxes to pay for these outlays. Quite frankly, I would have a much easier time supporting continued and higher education outlays which I believe we ought to meet as our revenues are forthcoming so that we can match the outgoing expenditures.

Mr. PERKINS. I would like to call my distinguished colleague's attention to the questionnaires which contain the views of school administrators who are most familiar with the effectiveness of programs and the still unmet needs in education. I would regret to see any Member vote against education because of unrelated issues which are falsely being injected into the debate. Adequate support of education is an issue which stands on its own. In my judgment it is a proposition which deserves the support of all Members regardless of their side of the aisle.

Mr. ANDERSON of California. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. ANDERSON of California. Mr. Speaker, I would like to associate myself with the remarks of the distinguished chairman of the House Committee on Education and Labor, Congressman PERKINS, and the Speaker of the House, Congressman McCORMACK.

During the Christmas recess, I spoke with people in my district from all walks of life—not just educators, not just medical personnel, but taxpayers, parents, the young, the old, the rich, and the poor—all concerned citizens. The consensus was that we need more money for education and more money for medical needs.

Where is this money coming from? School administrators tell us that 73 percent of the cost of education comes from the pocket of the local taxpayer and only 7 percent comes from the Federal Government. The burden on the local taxpayers is great. A great portion should come from the Federal Government. The people that I spoke with felt that we should place a higher priority on the needs of education and medical needs.

The President has threatened to veto the HEW bill appropriating over \$1 billion more for education than he had requested. The President claims that "so heavy an increase in Federal spending" would be inflationary. I, too, want to halt inflation; I, too, want to see prices lowered. To aid in this fight, Congress reduced overall expenditures requested by the administration by \$5.6 billion. Neither I nor my constituents see the logic behind the "inflationary" facade as a reason to veto the HEW bill.

Are we to assume that had we given the President what he had requested in foreign aid that this was not inflationary? The Congress cut his request for foreign aid by \$1.1 billion. In effect, the Congress appropriated money for education and health in the United States that the administration would have perhaps preferred to have spent on a program of foreign aid in some distant country.

Education can no longer be considered a privilege—a privilege which only the wealthy can have—it must be considered a right. Each of our children has the right to the best education he can obtain—dependent on his ability and the ability of the schools to provide that education. We can do no less than to provide education instruction and educational facilities. We can encourage our children to get a good education—but we must do more—we must provide the quality of education that is valid and relevant for them to become productive individuals in our society.

Dr. James E. Allen, Jr., the Commissioner of Education, has proclaimed his goal as eliminating all reading deficiencies by 1980. I feel that this is an essential goal.

Many of those on the relief rolls did not have an adequate nor a proper education. Many of those who are not mentally qualified for entry into the armed services did not have an adequate nor a proper education. Many of those who have turned to crime could not find adequate employment because of an inadequate education.

Is it inflationary to eliminate ignorance? Is it inflationary to attempt to reduce welfare rolls? Is it inflationary to attempt to reduce crime?

Education, in effect, pays for itself. Those with a proper education become productive citizens and thus taxpayers. Even in the short run, studies show that cooperative vocational educational programs actually pay for themselves, through the taxes paid by the students in the same year they are expended.

The HEW bill also contains funds which would hopefully reduce the cost of medical services. Programs which assist students in their medical education will help meet the shortage of health

personnel which has driven medical costs so high. More hospital beds should ease the pressure on our hospitals. Greater knowledge and the prevention of diseases would reduce the need for medical services. Is this inflationary? I supported the additional funds in the HEW appropriations bill because I feel we should place greater emphasis on these programs. If these funds are not appropriated, I fear that a "silent majority" may be in danger of becoming an illiterate majority.

Mr. PERKINS. I want to thank the gentleman for his contribution.

May I repeat the school questionnaires provide us with a fair sample of the sentiment throughout this country. They contain the most current data available. The responses are favorable from the Southern States, the Eastern States, the Western States, and the Northern States. They show that title I programs are effective in reaching and helping disadvantaged children in the Deep South, in States like Mississippi and Alabama, in the East and in every section of the country. So I am hopeful that if the President does veto the bill, the House will again vote to support education. The bill is not inflationary and I certainly hope that the President will not veto it. That is my first hope. It is the minimum that we should do to educate the youth of this country.

(Mr. PERKINS asked and was given permission to revise and extend his remarks.)

Mr. PHILBIN. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Massachusetts.

Mr. PHILBIN. Mr. Speaker, I highly commend and congratulate my distinguished friend from Kentucky for the great leadership which he has furnished the cause of forward-looking educational programs in this Nation and for the fine speech he has just made to the House reaffirming his strong position in continued support of the education bill in the House.

I would like very much to associate myself with his remarks, and his position, and to assure him that I intend to stand with him in his efforts to secure the enactment of the pending education bill by the House, and, if necessary, override any veto message, although I hope and urge that the President signs the bill.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. Yes. I am glad to yield to the gentleman from Missouri.

Mr. RANDALL. Mr. Speaker, I want to compliment the gentleman. We have not always agreed on some things that come from the Education and Labor Committee, but on this issue he is so eminently right and so positive and forthright in his reasoning. As I look back on the 26-day recess that we have just completed there is one thing that impresses me. In talking to hundreds of my constituents in three appearances a day the impression was that long after all of them have forgotten about the slowness of the appropriations the big thing about it is that we have brought about a reordering of priorities. What the

charge means that this one measure is inflationary is nothing, because we must look at the entire work of the Congress.

This represents approximately \$5.4 billion in military reductions. Now we talk about a \$1 billion increase in education. However, Mr. Speaker, in my opinion one must look at the overall reordering of our priorities which in my opinion are not inflationary.

Mr. Speaker, the first session of the 91st Congress saved billions of dollars by reordering the direction of that money into such worthwhile endeavors as education and the control of water pollution. Insofar as I know there was great support on this side of the aisle for those two programs and in support of the original proposal.

So, Mr. Speaker, the distinguished gentleman from Kentucky is to be complimented and I wish to associate myself with his remarks in this regard.

Mr. PERKINS. Mr. Speaker, I wish to thank my distinguished colleague from Missouri for his contribution.

The article previously referred to follows:

REDUCTIONS IN FEDERAL SUPPORT FORCE COLLEGES TO RETRENCH; PROGRAMS CUT, STUDENTS DROPPED

(By Ian E. McNett)

WASHINGTON.—Asked a few years ago what would happen if all federal support of higher education were suddenly withdrawn, a university president said, "Well, first, there would be this very loud sucking sound."

A careful listener might hear a sucking noise around the country these days as colleges and universities tighten their belts to meet an increasingly restricted financial situation. It sounds something like this:

A large private university in the South has been forced to phase out six Ph. D. programs to reduce spending.

Knox College ran deficits totaling \$959,000 over four straight years before breaking into the black this year. The deficits were met by spending unrestricted gifts that otherwise could have been added to the college's endowment.

The University of Portland reports that 91 students could not continue in college this year because there was not enough money to give them financial aid. About 255 other students applied for help but could "not attend . . . when we were unable to assist them," the university said.

A nuclear accelerator at a large eastern state university has stood idle about half the time because of reduced support from the Atomic Energy Commission.

Stanford University has approved the largest tuition increase in its history because of rising costs and shrinking support.

Beloit College has suspended a project to help 200 high school students from deprived backgrounds get ready for college. Federal funds for the program were not available.

Reed College has taken steps to reduce the size of its student body and increase its student-faculty ratio, partly for financial reasons and partly for educational reasons.

Despite pledges of support from the state of Maryland and the city of Baltimore, a proposed community college campus to help inner-city citizens "could be seriously jeopardized" unless federal funds are forthcoming, an official of the Community College of Baltimore reports.

Those are just a few examples of the financial stress and strain being felt by colleges and universities.

FEDERAL SUPPORT SLOWS DOWN

Although federal support has not been completely withdrawn and in many cases not

actually reduced, the rate of increase has slowed to a point where it does not keep pace with rising costs and the rising demand for a college education.

Some federal programs have been severely curtailed or eliminated in this era of "tight budgets." Other sources of support have not been adequate to pick up the slack in academic budgets.

College and university officials are perhaps most concerned about the erosion of their endowments. Continuing deficits force them to use up their endowment capital for current operating expenses.

That was what happened at the Johns Hopkins University school of medicine, President Lincoln Gordon told a Senate appropriations subcommittee. He said that \$500,000 in endowment-type funds were used in the 1968-69 academic year and \$1.2-million were being used in the current year.

"No national statistical picture exists of this erosion of the financial position of private universities as a consequence of the rising costs in education for the health specialties," Mr. Gordon said.

"However, there is no doubt that the erosion is a serious and nationwide problem, with many institutions in greater financial danger even than our case of the Johns Hopkins University."

Mr. Gordon said it was "impossible for us to continue down this road for any substantial period of years."

As he noted, Johns Hopkins is not alone in using up the basis of its future earnings to meet current needs.

A large private university says it has consumed \$20-million in endowment capital over the past 15 years to compensate for annual deficits of \$1-million to \$2-million.

Stanford University reports that during 1968-69 it used \$600,000 in uncommitted reserves to balance current income and expenditures. The figure is expected to rise to \$1.5-million in the current year.

Another private university in the East admits publicly to a \$1.5-million deficit. However, officials say privately that the deficit is more like \$3-million this year and may grow to \$5-million or \$6-million next year.

Philip Handler, chairman of the National Science Board, told a subcommittee of the House of Representatives that at Duke University the deficit was \$2.5-million, which "at the moment will have to come from endowment capital. Mr. Handler is professor of biochemistry at Duke.

RETRENCHMENT IS FEARED

"The problem," he said, "is that costs have risen so rapidly that if we are not given major assistance soon, we shall be forced very significantly to retrench—admit fewer students at all levels, attempt less research."

The financial situation is so tight that many institutions are setting up commissions or study groups to find new ways to balance their budgets.

Stanford University's vice-president, Kenneth M. Cuthbertson, has told students that the university is undertaking a four-year, \$2.5-million belt-tightening program designed to bring income and spending into balance.

He said very little new construction would start until the current freeze on federal funds for construction was lifted, but that if a major addition to the library was not undertaken, "we'll have to pile books on the Inner Quad."

Colorado State University, which also has library space problems, is studying all of its programs. Some of them may have to be eliminated to meet the budget levels being discussed in the state, officials said.

The university's faculty members have had their offices on two floors of the library, which must be used for books and reading rooms next fall, President A. R. Chamber-

lain reported. He said there was no other space available on campus for faculty offices.

The Colorado Commission on Higher Education cut Colorado State's capital construction request for 1970-71 from \$11.4-million to \$2.6-million. Mr. Chamberlain said this meant that the university would have no new classroom buildings coming into use in 1970-71.

WILL NOT HAVE LABORATORY SPACE

However, the university expects to increase its enrollment by 3,600 juniors and seniors. They will need laboratory space "which we simply don't have," Mr. Chamberlain said.

The University of Pennsylvania and New York University also are studying ways to squeeze more money out of their operating budgets.

Implicit in the Pennsylvania study is a concept that the university "can no longer afford to do the kinds of things it has done in the past," said John N. Hobstetter, vice-provost for research.

Faced with a projected \$9.6-million deficit in 1970-71 and no resources to cover it, New York University has set up a special commission on effective use of resources, comprised of administrators, deans, faculty members, and students.

"Even under the best of circumstances, it is apparent that the university must reassess its commitments and its traditional way of doing things," said Chancellor Allan M. Cartter. "All parts of the institution—from the operation of the president's and chancellor's offices to the janitorial services—must be open to review."

TUITIONS ARE INCREASED

Many institutions have had to raise tuitions, cut back on programs, defer new buildings, and curtail research.

Stanford University's increase in tuition this year was from \$2,145 to \$2,400—the largest ever in both dollar and percentage terms. Cornell College at Mount Vernon, Iowa, plans to raise its tuition by a record \$230 next fall. This is on top of a \$150 increase in the current academic year.

In the public sector, tuition and fees were increased this year at 71 per cent of the 371 members of the National Association of State Universities and Land-Grant Colleges and the American Association of State Colleges and Universities.

Huge tuition hikes were made at the University of Wisconsin, in all three land-grant institutions in Florida, and in Indiana University, Purdue University, Iowa State University, the University of Iowa, and the University of Maryland.

The University of Wisconsin raised its tuition for out-of-state students by nearly 50 per cent. Maryland's increase for in-state students was more than 30 percent—to \$506 from \$366, according to a survey by the land-grant association.

MEDICAL EDUCATION SUFFERS

President Gordon of Johns Hopkins reported on other effects of the slow-down in support for college and universities, particularly in the area of medical education.

He said Johns Hopkins planned to increase its medical school class size from 95 to 115 in existing facilities. However, he said, a further planned increase to 150 will be impossible without federal construction grants.

Mr. Gordon said the University of Maryland wanted to increase its entering medical class from 128 to 155, and thereafter to 200. Neither step is practical at Maryland without federal grants, he said.

With federal support drying up in the health field, Mr. Gordon said, private schools are turning increasingly to the states. Private medical schools in five states—Florida, New York, Ohio, Pennsylvania, and Kentucky—now receive state aid, he said, and such support is under active consideration in six other states.

OREGON CUTS NOTED IN SENATE

During the Senate appropriations hearings, Sen. Mark O. Hatfield (R-Ore.) read into the record letters he had received from college educators in Oregon.

Because of cutbacks in the Department of Health, Education, and Welfare, the University of Oregon reported making the following cuts:

"College of education—cut 35 graduate students; department of sociology—9 students can be funded for only 9 months instead of 12 months; molecular biology—cut 5 undergraduate and 2 graduate students; chemistry—cut 17 graduate students and 7 postdoctorals; psychology—training grants cut 40 per cent, and 35 students will not receive adequate equipment and supplies; biology—cut 16 graduate students and 2 postdoctorals."

Mr. PERKINS. Mr. Speaker, I include the questionnaires which I have previously referred to at this point for the information of the membership.

RESPONSE OF ORVILLE M. BAILEY, LAUDERDALE COUNTY, FLORENCE, ALA., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: To a limited extent all pupils in our system (8,491) are benefitting from Title I activities, however, approximately 1,825 pupils are involved with concentrated activities primarily remedial reading.

What is the ADA in your school district grades K-12?

Answer: For 1968-69 school year 7996.61. For 4th month 1969-70 school year (ending December 5, 1969) 7941.59.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$297,201, 1969 \$272,607, 1970 \$245,349.

What additional funds, if any could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$55,000, 1971 \$155,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Yes. Financial support for schools in our area is not sufficient to offer programs to meet the needs of educationally disadvantaged pupils. The curtailment and/or loss of Title I funds simply means the curtailment and/or loss of programs and services designed to benefit the educationally disadvantaged.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Yes. Studies and research data relative to services and activities in our local system indicate great progress of pupils participating in Title I activities, progress to the extent achieved impossible without these supplementary programs and services. Items which are hard to measure such as attitude toward school, a pupil's image of himself and his opportunities, etc., have been emphasized with remarkable progress being achieved.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: I would agree that inadequate funding is an obstacle in our efforts to reach the educationally disadvantaged. However, it is more important to us that funding be made prior to the beginning of fiscal years in order that effective planning can be ac-

complished and programs organized for a longer period of time. It is important that we know that we may consistently depend upon the Title I program and its level of funding rather than being placed in a "maybe yes" or "maybe no" position. In regard to the contention that schools cannot effectively utilize funds because of misdirection, I must state that we are now unable to operate several needed services and programs for the disadvantaged and are limiting the possibilities of programs and services now existing.

RESPONSE OF THOMAS L. LEE, SUPERINTENDENT, TUCSON No. 1, TUCSON, ARIZ., JANUARY 16, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 18,044.

What is the ADA in your school district grades G-12?

Answer: \$50,624.721.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$838,368.76, 1969 \$775,634.81, 1970 \$666,121.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$150,000; 1971, \$950,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: A resounding yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: As effective as possible with the limited funds available. Costs continue to rise and funds continue to be cut back.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: This may be true in some districts, but not in our district.

RESPONSE OF GEORGE ALICE MOTLEY, SUPERINTENDENT, MENIFEE COUNTY BOARD OF EDUCATION, FRENCHBURG, KY., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 800.

What is the ADA in your school district grades K-12?

Answer: 948.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$115,069; 1969, \$100,083; 1970, \$80,000.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$40,000; 1971, \$40,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed

that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: All funds in Menifee County are reaching the disadvantaged. 75% of the people in Menifee County are disadvantaged. Other children are getting benefits from the Title I program but our school system is so limited in funds that we could not offer many programs unless we receive Title I funds.

RESPONSE OF C. B. GARRISON, SUPERINTENDENT, PINE BLUFF DIST. No. 3, PINE BLUFF, ARK., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 2,700.

What is the ADA in your school district grades K-12?

Answer: 9,097.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$380,218, 1969 \$381,864, 1970 \$354,856.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$50,000, 1971 \$100,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. Local Education Agencies do not have the funds to meet these needs.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, within the limit of the present inadequate funding.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: The mis-direction of funds is evident in very few instances, and should not be used to indict the majority of meaningful efficient programs. The Title I programs are reaching many of the disadvantaged, and would be more successful with additional revenue.

RESPONSE OF HENRY R. EVANS, RUSSELL INDEPENDENT, RUSSELL, KY., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 240.

What is the ADA in your school district grades K-12?

Answer: 2,983.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$35,520; 1969, \$32,199, 1970 \$16,549.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$18,000, 1971 \$15,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: All our money is definitely reaching disadvantaged children.

RESPONSE OF WILLIAM A. DOYLE, SAN JOSE UNIFIED, SAN JOSE, CALIF., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I or ESEA?

Answer: —.

What is the ADA in your school district grades K-12?

Answer: 37,000.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$621,097, 1969 \$752,653, 1970 \$591,000.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$147,000 (25% increase over 596), 1971 \$1,750,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. We are meeting the needs of only one-third of the elementary and none of the secondary.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes; and we have test data to prove it.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We can document who is getting services—what the services are—and that these services are effective. We can show community support for expansion of services if needed.

RESPONSE OF JOHN CROWE, DIRECTOR OF GRANTS, WATERBURY, CONN., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 1,200.

What is the ADA in your school district grades K-12?

Answer: 17,274.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$392,718, 1969 \$360,911, 1970 \$328,369.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$190,000, 1971 \$250,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Insofar as Waterbury, Connecticut is concerned, disadvantaged children have been identified and are the direct beneficiaries of programs. In addition, considerable attention is paid to involvement of parents of the identified children in the planning and operation of programs.

Additional funding would always be helpful. Even with substantial local contribution, programs cannot grow. The recent local Teachers' Contract, for example, provides for an 8% salary increase which means curtailment of program services unless an increase in entitlement is forthcoming.

RESPONSE OF SIDNEY BOSWELL, SUPERINTENDENT OF SCHOOLS, GLYNN COUNTY BOARD OF EDUCATION, BRUNSWICK, GA., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 1968-69 school term, 363 pupils, regular term; 1,561 pupils, summer; total, 1,924.

What is the ADA in your school district grades K-12?

Answer: 1968-69 school term, 11,772 A.D.A. pupils.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$282,652, 1969 \$267,993, 1970 \$198,009.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$200,000, 1971 \$500,000.

In your judgement, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Positively yes! The funds have made pupil assistance programs possible that we have been desirous of implementing for years. We would extend these programs if more funds were available.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Our Title I programs are showing concrete results in meeting the needs of educationally disadvantaged children in the areas that we have funds for implementation of the special programs.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment—Program evaluation: Glynn

County, Georgia pupils participating in the Title I, ESEA, Reading Improvement Program during the 1968-69 school term were given a standardized pre and post test (California Reading Achievement Test). 363 elementary pupils were tested in October, 1968 and again in April, 1969. The average pupil grade placement gain was .72. The average normal pupil grade progress for this period of time would be .55. The above average gain in pupil grade placement progress of .17 alone points out the significant value of this program.

Six weeks, summer 1969, reading program for 678 pupils who were tested (California Reading Achievement Test) pre and post showed an average gain of .42 grade. This was about 1/2 year progress.

Six weeks, summer 1969, dropout program has shown positive results. Dropouts during summer (between school terms) has been reduced as follows. Summer 1967, 237 dropouts; summer 1968, 256 dropouts; summer 1969, 91 dropouts.

RESPONSE OF KENDALL BOGGS, SUPERINTENDENT, LETCHER COUNTY SCHOOLS, WHITESBURG, KY., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 3,000 (directly; more indirectly).

What is the ADA in your school district grades K-12?

Answer: \$5,211.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$575,376, 1969 \$524,251, 1970 \$474,518.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$125,000, 1971 \$200,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Without question, yes!

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, without question in our district. We have received national recognition, by press and other media on doing an outstanding job.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We have made all possible effort to comply with the intent of the law. The *South Education Report* and the *Courier Journal* have both carried articles commending our district on this fact.

RESPONSE OF JAMES T. AKERS, SUPERINTENDENT, U.S.D. No. 203, KANSAS CITY, KANS., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 140.

What is the ADA in your school district grades K-12?

Answer: \$453.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$60,000, 1969 \$91,237, 1970 \$80,000.

What additional funds, if any, could you

effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$10,000, 1971 \$15,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: By all means, we are a small district, with a migrant child program and others who need these types of programs.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, our Title I program has been a real help in providing needs that the District regular budget could not provide for.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: I feel our funds are reaching those who need enriched education needs, through our migrant and remedial reading program. Funds in our case are directed to fill the above program. Please consider continuing and increasing Title I in the U.S.

RESPONSE OF DR. ALVIN E. MORRIS, WICHITA PUBLIC SCHOOLS USD 259, WICHITA, KANS., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 3,000 (approx.).

What is the ADA in your school district grades K-12?

Answer: \$59,938.69.

What was the amount of your ESEA Title I grant in each of the following fiscal years? Answer: 1968 \$1,340,000 (approx.), 1969 \$1,225,000 (approx.), 1970 \$1,100,000 (approx.).

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$225,000 (est.), 1971 \$1,100,000 (est.).

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. Title I is the primary source of categorical financial aid to assist with the educational needs of low-income children.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. We have had annual evaluations of our Title I program. The results have shown a consistent pattern of progress in regard to the improvement of reading. About 50 percent is spent in supportive programs and activities that have contributed to pupil educational progress.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

RESPONSE OF BECKHAM COMBES, SUPERINTENDENT, KNOTT COUNTY SCHOOLS, HINDMAN, KY., JANUARY 17, 1970, H.R. 1882

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 1,159 during regular school term, 1,260 during summer program.

What is the ADA in your school district grades K-12?

Answer: \$3,907.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$525,381, 1969 \$481,961, 1970 \$425,959.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$80,000, 1971 \$100,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: In a district such as ours, where 79.2 percent of the children come from low income families, Title I programs are our only salvation.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Yes, through special reading teachers, equipment, teaching supplies, food and community services.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Inadequate funding has been the greatest handicap in formulating and initiating programs on the local level since the inception of Title I programs.

RESPONSE OF SELMA W. BLACK, SCHOOL PROJECTS COORDINATOR, PORTLAND PUBLIC SCHOOL, PORTLAND, MAINE, JANUARY 17, 1970.

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 3,774.

What is the ADA in your school district grades K-12?

Answer: \$13,806.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$255,273; 1969, \$234,994; 1970, \$213,887.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$200,000; 1971, \$250,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Definitely. It is only through Title I funds that we have been able to initiate and maintain necessary service programs so needed as compensation to disadvantaged students.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Very much so. Our only regret is that we cannot extend services to more children or add new programs desperately needed.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Our funds are used almost exclusively for special services, such as social workers tutoring for dyslexic children. Special programs for the retarded, school breakfasts, etc. If any small amounts remain, they are pooled to establish special summer programs for disadvantaged children.

RESPONSE OF LLOYD D. HATFIELD, SOUTH PORTLAND, MAINE, JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 1,000 of 6,094 total private and public school population.

What is the ADA in your school district grades K-12?

Answer: \$580.19.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$31,723; 1969, \$27,467; 1970, \$24,990.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$40,000; 1971, \$100,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: No question about it.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Absolutely, only we need more funds.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We have the ability to implement several new programs without having ineffective utilization. The biggest problem is the late funding which does not allow sufficient time for planning. To make effective use of funds we should have a definite commitment for fiscal year 1971, by June 1, 1970.

RESPONSE OF HARDING J. STEWART, SUPERVISOR OF FEDERAL AND STATE PROJECTS, SPRINGFIELD PUBLIC SCHOOLS, SPRINGFIELD, MASS., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 4,975

What is the ADA in your school district grades K-12?

Answer: \$29,530.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$714,000, 1969 \$826,600, 1970 \$698,000.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$1,000,000, 1971 \$1,250,000.

These figures would reflect our entitlement, which appropriations voted, fail to meet.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, two of our current Title I, ESEA Projects are our most effective Federal Projects.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, however, the funding restrictions prevent broader and great depth in implementation.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: I can only comment on what I have read where investigations have uncovered misappropriation of funds. I do feel that Springfield through experience has become more sophisticated in the use of available funds in helping meet the needs of educationally disadvantaged children.

RESPONSE OF JOEL A. CHAPMAN, BOLIVAR COUNTY SCHOOL DISTRICT III, SHELBY, MISS., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 716.

What is the ADA in your school district grades K-12?

Answer: \$1,750.

What was the amount of your ESEA Title I grant in each of the following Fiscal years? Answer: 1968, \$151,466; 1969, \$296,458; 1970, \$206,099.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$50,000; 1971, \$50,000.

In your judgement, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We can and are reaching the disadvantaged. Substantial improvement in reading, math, and language acts achievement, plus more regular attendance is borne out by the results of standardized achievement tests. The greatest obstacle is civil rights groups which try to make Title I into a welfare program.

RESPONSE OF MR. WALTON JONES, SUPERINTENDENT, MORGAN COUNTY, WEST LIBERTY, KY.

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 1,426 students are economically deprived but the entire school student enrollment of 2786 are benefited from the ESEA Title I Program.

What is the ADA in your school district grades K-12?

Answer: 2,426.5.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$241,796, 1969 \$221,087, 1970 \$194,578.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$50,000, 1971 \$70,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: No, due to insufficient funds. Due to this fact we are unable to enact programs for Fine Arts and Special Programs to enrich the students' educational needs.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: 1426 or 51.5% of the students in Morgan County are considered economically deprived. However, due to inadequate funds, the curriculum is still inept in certain areas such as art, music, and special classes so that our school population is more near 90% deprived, economically, educationally, and culturally.

Funds are of great necessity in Morgan County in order to continue our present programs and possibly initiate additional programs in an attempt to remedy or partially remove this deprivation.

RESPONSE OF ROBERT STINSON, COORDINATOR OF FEDERAL ACTIVITIES, ST. JOSEPH SCHOOL DISTRICT, ST. JOSEPH, MO., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: About 1,400.

What is the ADA in your school district grades K-12?

Answer: \$14,979.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$239,000, 1969 \$222,894, 1970 \$204,688.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$100,000, 1971 \$100,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Absolutely! These children need more than a local district can afford. Only with Federal funds, can they be helped.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, but only to the extent that we can operate under the amount of money allocated, and only within the State's rigid guidelines.

Recent hearings in Washington disclosed that inadequate funding was the greatest

obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: More funding is necessary but I believe they are being misdirected by our State Department of Education. This group is interpreting the law so strictly that only economically deprived youngsters can be helped. I don't think this law was written to mean this.

RESPONSE OF DR. GUY CARTER, INDEPENDENCE, INDEPENDENCE, MO., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 379.

What is the ADA in your school district grades K-12?

Answer: 15,112 (December 1, 1969).

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$44,097, 1969 \$47,921 (with supplement), 1970 \$44,875.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: (It would be necessary to expand our program to include children outside the eligible Title I area.)

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes . . . Although achievement test scores do not always reflect growth in a given period of time there has been growth. Equally important is the attitude of children and the encouragement of parents.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. . . . We see educational growth commensurate with ability and home environment, but as stated above an important factor is the improved attitude toward learning.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: I believe the funding is adequate under the limitations of the program guidelines. It is discouraging in that we can not include those educationally disadvantaged children who live outside the qualifying areas.

RESPONSE OF MR. JOHN PRASCH, No. 1, LINCOLN PUBLIC SCHOOLS, LINCOLN, NEBR., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 2,913 involved in programs, 3,684 identified as low income.

What is the ADA in your school district grades K-12?

Answer: \$33,568.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$193,000, 1969 \$214,000, 1970 \$192,000 approximately.

What additional funds, if any, could you effectively apply to your Title I programs in

fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$160,000, 1971 \$200,000. 12 teachers, Reading Resource at 9,000, \$108,000, support, media and supplies, \$22,000, teacher aides and professional staff, \$30,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, concentrated educational effort should continue. These programs, difficult to measure objectively, are improving the attitudes of disadvantaged children and their families in my opinion. Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. I am convinced we are meeting the special education needs of many of our disadvantaged children. With more funding we could do better, however.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Much of the newspaper publicity is incomplete and part of it is irresponsible.

RESPONSE OF FRANK F. DIXON, COORDINATOR OF COMPENSATORY EDUCATION, CLARK COUNTY SCHOOL DISTRICT, LAS VEGAS, NEV., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 708 for fiscal year 1970.

What is the ADA in your school district grades K-12?

Answer: \$63,593 for fiscal year 1969.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$543,155, 1969 \$421,621, 1970 \$383,549.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$51,000, 1971 \$60,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Most definitely. These students need so much individualized help and attention that it precludes their receiving adequate aid in the regular classroom.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, in terms of progress of program participants. However, students serviced are roughly only 13% of those qualifying according to Title I regulations.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Student selection criteria is based on Title I guidelines, but those serviced are limited because of inadequate funds.

RESPONSE OF CHARLIEA V. SMITH TAYLOR, SUPERVISOR, TITLE I DIRECTOR, JENKINS INDEPENDENT SCHOOL, JENKINS, KY., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 600.

What is the ADA in your school district grades K-12?

Answer: \$984.05.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$81,426, 1969, \$72,420, 1970 \$65,855.

What additional funds if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: In my opinion the 1968 grant should never have been cut.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Most definitely!

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: No. We are simply scratching the surface because of lack of money—"cut-backs" if you please.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We are handicapped when we are teaching in buildings that are more than 50 years old. We can't seem to get enough money to build new buildings so we have to have extra funds to do an acceptable job at all. More and more schools are called upon to do the work that the public assistance offices use to do. (Clothing, food, etc.) We have to have money to do these things.

RESPONSE OF RICHARD WRIGHT, WASHOE COUNTY, RENO, NEV., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: App. 1,000.

What is the ADA in your school district grades K-12?

Answer: App. \$25,000.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$165,000; 1969, \$163,000; 1970, \$129,000.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$25,000 to \$30,000; 1971, \$25,000 to \$30,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend

that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: The money can be utilized effectively, but it must be here and available at times when it is needed and not rely upon late action by the Congress.

RESPONSE OF JAMES CUSICK, ASSISTANT SUPERINTENDENT, PORTSMOUTH SCHOOL DISTRICT, PORTSMOUTH, N.H., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: Approximately 200 in Grades K-3.

What is the ADA in your school district grades K-12?

Answer: 5,828.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 and 1969, \$44,018, September 1969-June 1970, \$37,175.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$10,000, 1971, \$20,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, if they are used for daily concentrated programs designed to build self-image of younger disadvantaged children.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We serve 175 disadvantaged children with daily individually designed activities throughout the entire school year. All our funds are directed toward this compensatory educational program. Some additional children receive guidance though they cannot be given the individual programs because of the lack of para-professionals (due to funds).

RESPONSE OF HENRY J. KALFAS, OF THE CITY OF NIAGARA FALLS, N.Y., JANUARY 17, 1970

How many children in your district are benefitting from education program funded under Title I of ESEA?

Answer: 3,200.

What is the ADA in your school district grades K-12?

Answer: \$16,238.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$701,825, 1969 \$639,210, 1970 \$807,282.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$100,000, 1971 \$125,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. They can be improved upon. We are presently improving our programs.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comment on these contentions would be appreciated.

Comment:

1. Early allotment and apportionment of funds so that school districts could plan adequately for the wisest use of funds.

2. More open policy of project approval so that school districts could exercise judgment to fit local situation rather than be forced to conform to a rigid pattern set by an official source incognizant of local needs and problems.

3. Money allocated to our school district is being used and we will continue to need more such aid.

RESPONSE OF AARON E. FUSSELL, SUPERINTENDENT, WAKE COUNTY, RALEIGH, N.C., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer:—

What is the ADA in your school district grades K-12?

Answer:—

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$945,732, 1969 \$880,931, 1970 \$814,582.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$200,000, 1971 \$225,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer:—

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer:—

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment:—

RESPONSE OF DR. L. GILBERT CARROLL, LUMBERTON CITY SCHOOLS, LUMBERTON, N.C., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 1,149.

What is the ADA in your school district grades K-12?

Answer: \$4,070.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$163,804, 1969 \$142,275, 1970, \$131,079.

What additional funds, if any, could you

effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$125,000, 1971 \$175,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Most assuredly they are. Without the continued use of such funds, the educational future of these children is bleak.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, to the limited extent of funding. In recent years, an already financially limited program has suffered severe cuts in funding. Disadvantaged children have been the losers in these ill-chosen attempts at economy.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: To the best of my knowledge, Title I ESEA Funds have consistently hit the target, educationally and economically disadvantaged children. True, we have not reached all of these children. There are too many such children to be reached with acutely limited funds. Our target has been and continues to be the heavy concentration of Title I children.

RESPONSE OF C. REID ROSS, SUPERINTENDENT, FAYETTEVILLE CITY SCHOOLS, FAYETTEVILLE, N.C., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 2,100.

What is the ADA in your school district grades K-12?

Answer: \$12,431.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$395,885, 1969 \$354,645, 1970 \$332,369.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$100,000, 1971 \$200,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Many more children need to be involved in special programs such as the ones presently conducted with Title I, ESEA funds. Additional money would make this possible.

No miracles are promised, but we will continue to make effective and efficient use of all Title I funds.

RESPONSE OF DR. NEWMAN M. WALKER, SUPERINTENDENT, LOUISVILLE INDEPENDENT SCHOOL DISTRICT, LOUISVILLE, KY., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 7,500.

What is the ADA in your school district grades K-12?

Answer: 1968-69, 48,462; September 1970, 50,062.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answers: 1968 \$1,932,193, 1969 \$1,893,541, 1970 \$1,844,365 (tentative allotment).

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 25%, 1971 50%.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. The present level of local and state funding is too low to permit expenditures for personnel with expertise in dealing with children with special learning disabilities, e.g. guidance counselors, librarians, psychologists, reading teachers, social workers, etc. In-service education programs for all staff members are a necessity.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. To the extent that it is financed.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Inadequate and late funding is a deterrent to well planned programs. Limited funds do not allow for direct participation of enough students to make a significant impact.

RESPONSE OF W. H. BROWN, SUPERINTENDENT, GASTON COUNTY SCHOOLS, GASTONIA, N.C., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: All indirectly, 8,272 directly.

What is the ADA in your school district grades K-12?

Answer: 30,578.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, 632,053; 1969, 587,103; 1970, 532,253.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$105,000; 1971, \$510,000. Early Childhood Educational programs (Kindergarten) desperately needed to supplement existing experiences provided. Elementary counselors could and would assist immeasurably in establishing worthy self-image!

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Definitely! If we are to bridge the chasm imposed by the deprivation suffered by these children additional funds are mandatory. Supplementary compensatory experi-

ences are the only avenues in filling the very real voids existing.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Absolutely! The real tragedy is that we have started too late with too little. Profound impacts are being felt and seen.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Lack of funds coupled with timing in appropriations are the major deterrents to more effective-efficient planning for enhancing subsequent meaningful programs. There have no doubt been some minimal abuses but have every confidence that mammoth strides have been made in creative experiences being implemented more commensurate with the unique needs of these youth.

RESPONSE OF ROBERT L. SMITH, SUPERINTENDENT, SANDUSKY CITY SCHOOLS, SANDUSKY, OHIO, JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 144.

What is the ADA in your school district grades K-12?

Answer: 6,723.

What was the amount of your ESEA Title I grant in each of the following fiscal years? Answer: 1968 \$62,505.20, 1969 \$57,547.14, 1970 \$47,243.59.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$15,000, 1971 \$15,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Title I funds are certainly reaching the disadvantaged in our district and are being effectively used.

Although we have reason to believe that our present program is meeting a definite need in helping disadvantaged children, it is felt that the present level of funding is much too low. We are certain that an increase in funding to at least the level of 1968 would enable us to do an even better job.

Further curtailment would negate gains already made.

RESPONSE OF WILFORD E. ANDERSON, ADEL COMMUNITY SCHOOL, ADEL, IOWA, JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 61.

What is the ADA in your school district grades K-12?

Answer: 1,050.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$13,355, 1969, \$14,278, 1970, \$16,159.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: No, not in the rural areas of Iowa.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Children needing attention in small groups or on an individual basis do receive special help.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Schools would benefit more by receiving general aid on the basis of need.

RESPONSE OF J. A. DIXON, SUPERINTENDENT, BELLAIRE CITY, BELLAIRE, OHIO, JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 1967, 324; 1969, 213; 1970, 190.

What is the ADA in your school district grades K-12?

Answer: 3,464.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$74,665.62; 1969, \$67,660.09; 1970, \$59,762.87.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$10,000; 1971, \$20,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. I believe the Title I Programs are needed to meet the special needs of our children. We are a district without the funds to provide the individual or small-group instruction need.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. Our staff is convinced that this program is helping disadvantaged children catch up.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We are a district with a low assessed valuation of \$9500 per pupil and we were never able to have programs to help these children before we received the Federal assistance. Unless this is continued, it will be necessary to discontinue all such programs. We are not serving all the disadvantaged children now that need help because of the lack of funds. Anything that can be done to help us meet the needs of these children will be greatly appreciated.

RESPONSE OF CHARLES E. SPEARS, SUPERINTENDENT, PIKEVILLE, IND.-PIKEVILLE, KY., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 413.

What is the ADA in your school district grades K-12?

Answer: 1,260.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$62,621., 1969 \$56,796, 1970 \$58,587.00.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$15,000, 1971 \$20,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, without question.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Our funds are reaching the economically and educationally disadvantaged children in our school. Only 3% is used to administer our project. 97% is spent on salaries for special qualified teachers, for special materials and equipment, for special services to children.

RESPONSE OF HAROLD CONLEY, SUPERINTENDENT, AND KENNETH MCCAULEY, PROGRAM DIRECTOR, IRONTON CITY, OHIO, JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 281.

What is the ADA in your school district grades K-12?

Answer: 3,287 (No. students K-12, Oct. 1969).

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$86,666.96, 1969 \$79,529.67, 1970 \$73,450.67.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$5,000, 1971 \$6,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, we feel that Title I is serving well our disadvantaged children here.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: We do, definitely!

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Our present Title I Project seems almost adequate. However, we could use another teacher and another aide in our Project. Increased salaries and prices, have, of course, created some problems. We are quite pleased with our Title I Program.

RESPONSE OF DR. JACK L. GRIFFIN, TULSA PUBLIC SCHOOL, INDEPENDENT NO. 1, TULSA, OKLA., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 25,052.

What is the ADA in your school district grades K-12?

Answer: 74,067.

What was the amount of your ESEA Title I grant in each of the following fiscal years?
Answer: 1968 \$1,405,589, 1969 \$1,341,366, 1970 \$1,224,076.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, 20%; 1971, 28%—a salary differential absorbs a minimum of 8% annually.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: The Tulsa Public Schools Title I program has been stringently audited each year by the Oklahoma State Department of Education and no evidence of misdirected funds has been found. Additional funds could be expeditiously utilized in the area of health and nutrition.

RESPONSE OF ALLEN ROBSON, ED. D., PONCA CITY INDEPENDENT NO. 71, PONCA CITY, OKLA., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 460.

What is the ADA in your school district grades K-12?

Answer: 6,525.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$153,624.11, 1969 \$121,582.69, 1970 \$91,947.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$40,000, 1971 \$40,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend

that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: I think that inadequate funding of educational programs is a problem for all school districts. I assure you that the Ponca City School District can effectively utilize additional funds for Title I Programs. For example, we had to drop our elementary summer program because of the cutback in Title I Funding.

RESPONSE OF RAYMOND L. DOMBROWSKI, ERIE, PA., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 4,547.

What is the ADA in your school district grades K-12?

Answer: 21,248.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$579,579.41, 1969 \$611,091.96—with reallocation, 1970 \$547,152.79.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, at least \$100,000.00 more; 1971, at least \$70,000.00 more.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Very definitely.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, however, due to reduced funds all needs are not met.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: The State Dept. of Education in Pennsylvania sees to it that all aspects of Title I of ESEA are met and not misdirected.

RESPONSE OF MRS. EUNICE HARPER, SUPERINTENDENT, RACELAND-WORTHINGTON, IND.-RACELAND, KY., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 100 special reading programs, one teacher, need two; 450 students, first through sixth grade get to use Library 1 hour per week, per student; need two librarians.

What is the ADA in your school district grades K-12?

Answer: 898.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$21,863, 1969, \$19,811, 1970, \$18,097.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, at least \$10,000; 1971, \$10,000; no moneys for supplies, funds for two teachers and one aide at present. Funds could be doubled.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. Local district funds in Kentucky schools will not provide for their need.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Our program is a good one and the teachers are working very hard. The amount of funds is not adequate.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Inadequate funding is correct. Where is the misdirecting being done? If we can—or may—have an amount as granted to the Dorsett Education System, Inc., and have only a limited number of students, concentrate on one or two fields, then we will produce more.

One such step was the award last fall of a federally funded \$180,000 contract to Dorsett Education Systems, Inc., of Norman, Okla., to use its new audiovisual devices to teach 200 potential ninth and tenth grade dropouts reading and math. Dorsett has gone into the school districts of Texarkana, Tex., and Texarkana, Ark., and agreed to raise the students' reading and math levels by one full grade in 80 hours at the cost of \$1 an hour per student. The company will get a bonus, on a sliding scale of payment, if it succeeds in less than 80 hours; it will be penalized if it exceeds the time limit. The contract could amount to as much as \$2.5 million over five years.

RESPONSE OF EDWARD J. CONDON, SUPERINTENDENT, WOONSOCKET EDUCATION DEPARTMENT, WOONSOCKET, R.I., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 565, school year 1969-70; 225, summer 1970 estimate; for a total of 790.

What is the ADA in your school district grades K-12?

Answer: 7,316.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$252,026, 1969 \$241,086, 1970 \$215,361.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$50,000, 1971 \$275,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, please see attached booklet (not printed in Record).

Do you regard your present Title I programs as effective in meeting special educational needs of educationally disadvantaged children?

Answer: Yes. Heavy concentration in special areas helps students meet school demands.

RESPONSE OF H. S. MCCracken, DEPUTY SUPERINTENDENT, BEAUFORT DISTRICT, BEAUFORT, S.C., RECEIVED JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 5,725.

What is the ADA in your school district grades K-12?

Answer: 9,752.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$462,670, 1969 \$464,703, 1970 \$381,849.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$83,000, 1971 \$475,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, they provide personnel and materials to use in developing experiences denied the disadvantaged, prior to entering school.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, according to evaluations made thus far, indications are that educational levels of the disadvantaged have been raised.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Speaking for Beaufort County only, all funds have been used to raise the educational level of the economically deprived.

RESPONSE OF A. A. THOMPSON, PIERRE INDEPENDENT SCHOOL DISTRICT, PIERRE, S. DAK., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 320.

What is the ADA in your school district grades K-12?

Answer: 2,822.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$46,636.25, 1969, \$40,830.35, 1970 \$36,362.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$10,000, 1971 \$10,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. In area of reading—additional funds are needed to meet other needs.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: There seems to be the general feeling that Title I funds in South Dakota are being used for the purposes intended.

RESPONSE OF KENNETH WATLINGTON, JACKSON CITY SCHOOLS, JACKSON, TENN., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 2955.

What is the ADA in your school district grades K-12?

Answer: 7645.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$282,668, 1969 \$259,345, 1970 \$239,827.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 20,000, 1971 75,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Hopefully we will be informed of our total grant for FY 70 very soon. We should be receiving notice of our total grant for FY 71 and FY 72 for effective planning.

RESPONSE OF ERNEST ROBINSON, SUPERINTENDENT, CARTER COUNTY, GRAYSON, KY., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 2,300.

What is the ADA in your school district grades K-12?

Answer: 4,650.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$349,447; 1969, \$314,471; 1970, \$285,065.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$160,000; 1971, \$180,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, children are receiving assistance in clothing, food, and the teacher has more materials and equipment with which to present a program.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, in addition to the assistance given in the regular, summer programs have been designed to meet the needs of the educationally and economically deprived child.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: The big difficulty in providing expanded programs is the lack of facilities or additional classrooms in which to provide the programs and services needed.

RESPONSE OF E. C. STIMBERT, SUPERINTENDENT, MEMPHIS CITY SCHOOLS, MEMPHIS, TENN., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 29,411.

What is the ADA in your school district grades K-12?

Answer: 127,347.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$3,149,017, 1969 \$2,901,131, 1970 \$2,764,659.

What additional funds if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$813,000, 1971 \$1,325,000.

In your judgement, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: 100% of our Title I funds are utilized in programs for the disadvantaged. We need \$813,000 to fund the 1969-1970 regular school year and summer Title I Program at a level generally commensurate with the program operated during the 1967-1968 school year.

RESPONSE OF J. M. WHITAKER, ASSISTANT SUPERINTENDENT, SPECIAL SERVICES, EL PASO INDEPENDENT SCHOOL DISTRICT, EL PASO, TEX., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 5,830.

What is the ADA in your school district grades K-12?

Answer: 56,981.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$1,016,779, 1969 \$883,981, 1970 \$781,025.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 50% increase, 1971 50% increase.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Title I funds have been effective in our district to the extent of our funding; however, to reach all students who qualify, a higher rate of funding is necessary.

RESPONSE OF JULIUS TRUDELSON, SUPERINTENDENT OF SCHOOLS, FORT WORTH INDEPENDENT SCHOOL DISTRICT, FORT WORTH, TEX., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 6,997.

What is the ADA in your school district grades K-12?

Answer: 80,652.72 (1969-70).

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1967-68, \$1,453,499, 1968-69, \$1,243,056, 1969-70 \$1,208,813.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$250,000 (additional: just to reinstate and continue programs offered in 1967-68); 1971 \$500,000 (additional: to maintain effective programs and increase instructional program, particularly in the area of reading).

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Although the Fort Worth Independent School District has made many efforts for the educationally disadvantaged, we could not begin to offer the in-depth individualized instruction Title I is economically, effectively, and efficiently providing. Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes; however, the needs of these children far exceed available local and state resources; additional Title I funds are needed to reach all of our educationally disadvantaged children.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Inadequate funding is a great obstacle together with lack of forward funding to adequately plan for succeeding years.

RESPONSE OF LUTHER WRIGHT, COORDINATOR, TITLE I, JOHNSON COUNTY, PAINTSVILLE, KY., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 2507.

What is the ADA in your school district grades K-12?

Answer: 3355.94.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$368,690, 1969 \$342,609, 1970 \$298,062.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$200,000, 1971 \$200,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I pro-

grams as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes; with our present allotment but more could be done if we had the money.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: It would be a catastrophe to the educational system of Johnson County if Title I funds were dropped.

RESPONSE OF DR. DANA WILLIAMS, CORPUS CHRISTI INDEPENDENT SCHOOL DISTRICT, CORPUS CHRISTI, TEX., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 6,666.

What is the ADA in your school district grades K-12?

Answer: 43,187.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$1,130,931, 1969 \$1,018,368, 1970 \$90,577.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$250,000, 1971 \$300,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Title I funds have provided additional equipment, personnel and program experimentation heretofore limited by local and State funds. Without Title I funds, additional emphases would not have been possible.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, however, our district is constantly seeking better ways to meet the needs of educationally disadvantaged children.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: As originally intended under Title I guidelines, the Corpus Christi Independent School District has been able in the past to provide programs needed to meet the special needs of the educationally disadvantaged children. Recent budget reductions at the national level have caused the district to reduce certain services and programs. Additional funds are needed to teach more effectively the disadvantaged. These funds could provide additional equipment, materials, and staff to individualize instruction, to reduce the number of dropouts, to work with problem children, and to provide additional cultural activities for the disadvantaged.

The district can only speak from its own experiences. Title I funds have not only been directed to reach the disadvantaged but other local, state, and federal funds have also been directed to provide for more and better programs for the disadvantaged. Programs such as the State's Non-English Speak-

ing, Head Start, Project Follow Through, Teacher Corps, and certain special projects under Title III, ESEA, have been coordinated to better meet the needs of the disadvantaged.

RESPONSE OF MRS. ROSEN, PLANNER & ADMINISTRATIVE ASSISTANT, OFFICE OF SPECIAL PROJECTS, NORFOLK CITY SCHOOLS, NORFOLK, VA., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 10,359.

What is the ADA in your school district grades K-12?

Answer: 52,432.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968-69 \$2,350,867.74 (This includes \$53,144.00 reallocated funds), 1969-70 \$2,067,951.37 (Tentative Authorization).

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$250,000, 1971 \$500,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: To a vast degree.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these conditions would be appreciated.

Comment: Additional funds, appropriated far enough in advance, will enable long-range planning to be more effective.

RESPONSE OF FORBES BOTTOMLY, SUPERINTENDENT, SEATTLE SCHOOL DISTRICT No. 1, SEATTLE, WASH., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: There are 27 schools designated as full-aid or partial-aid schools which have a total population of 26,144. Of these, 9,400 are from low-income families.

What is the ADA in your school district grades K-12?

Answer: 72,135.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$1,500,841, 1969 \$1,370,930, 1970 \$1,265,433.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$600,000, 1971 \$1,000,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: To fail to provide programs specially designed for the educationally disadvantaged is to commit one large segment of our population to oblivion.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. Our Title I programs have demonstrated success among the members of the target population.

Recent hearings in Washington disclosed that inadequate funding was the greatest

obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We cannot speak for school districts other than our own, but Federal funds in Seattle have been applied strictly in compliance with federal and state laws and regulations to the best of our knowledge and we have not knowingly misused any funds.

RESPONSE OF MR. EUGENE SEBASTIAN, SUPERINTENDENT, BREATHITT COUNTY, JACKSON, KY., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 3,732.

What is the ADA in your school district grades K-12?

Answer: 3,557.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$506,985, 1969 \$468,917, 1970 \$407,594.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$72,000, 1971 \$480,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, very definitely.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, Title I programs have meant more to the disadvantaged children in our county than any other program.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We feel that our system has spent Title I funds to the best of our ability to reach the disadvantaged child. Any lack to service the disadvantaged child in our district will be due to lack of funds.

RESPONSE OF MR. LEROY R. WATT, SUPERINTENDENT, OHIO COUNTY SCHOOLS, WHEELING, W. VA., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 650.

What is the ADA in your school district grades K-12?

Answer: 9351.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$246,638, 1969 \$221,669, 1970 \$197,727.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$50,000, 1971, \$200,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special edu-

cation needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Additional funds could be utilized effectively to reach the disadvantaged and, also, to serve them more effectively. The greatest obstacle in the path of Title I programming is the poor timing in the funding to the counties.

RESPONSE OF DR. JAMES A. CAWOOD, SUPERINTENDENT, HARLAN COUNTY, HARLAN, KY., JANUARY 17, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: A total of 3,059 children are benefitting from the Title I program in Harlan County.

What is the ADA in your school district grades K-12?

Answer: The average daily attendance as of Dec. 16, 1969 was 7,456.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$907,941, 1969 \$835,058, 1970 \$738,985.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$100,000 if available soon enough, 1971 \$260,000 if advance funding to allow planning.

In your judgment, do you believe that the Title I programs are needed to meet the specific needs of educationally disadvantaged children?

Answer: Title I programs are definitely needed to meet the "special" needs of disadvantaged children whose needs are unique and different to say the least.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Our present Title I program is generally effective. However, it has lost some of its effectiveness due to loss of funds. This loss has wiped out our teacher aide programs.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: The trend of incidental and piecemeal funding which the past and present administrations have practiced, has caused school administrators to be unable to plan effectively for Title I Programs of sufficient depth to always meet hopes for success. It is our hope that advance funding and sufficient appropriations be made so that we can not only plan but implement effective programs.

RESPONSE OF TOWN OF CUMBERLAND, SCHOOL DEPARTMENT, ASHTON, R.I., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 250.

What is the ADA in your school district grades K-12?

Answer: 5,635.7.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$25,277, 1969 \$24,514, 1970 \$20,160.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$10,000, 1971 \$15,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, very.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: There has been no misdirection of funds in the Town of Cumberland. Every allocation has been used for direct services, otherwise unobtainable, to economically and culturally disadvantaged children.

A Travelab, a prefabricated building, thousands of dollars worth of equipment and instructional materials have been purchased; salaries have been provided for specialists; personnel in areas of reading and allied skills have been engaged; in short, all money obtained has been spent for the advancement of the deprived individual. It is important that we note the fact that the town has made a tremendous in-kind contribution. Combined efforts and resources have provided our children with an unparalleled education experience.

RESPONSE OF FRANK EARNEST, JR., DALLAS COUNTY, SELMA, ALA., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 6,707.

What is the ADA in your school district grades K-12?

Answer: 8,404.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$819,232, 1969 \$762,271, 1970 \$673,460.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$250,000; 1971, \$500,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes, we definitely could not begin to meet these needs without our Title I programs.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, we are confident that our Title I programs have been very effective in meeting the needs of disadvantaged children.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation

Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: This is definitely not true in our Title I programs. The disadvantaged children have been reached and have profited greatly from Title I, ESEA funds. We are not aware of any misdirection of funds.

RESPONSE OF PAUL W. POLLY, SUPERINTENDENT, PARIS INDEPENDENT, PARIS, KY., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 219.

What is the ADA in your school district grades K-12?

Answer: 1543.0—1969 annual report.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$65,862, 1969 \$59,640, 1970 \$56,235.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$10,000, 1971 \$20,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Very definitely.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Inadequate funding is definitely an obstacle in planning programs. If money were appropriated a year in advance it would give more time for planning and could be used to better advantage. No money has been misused in this district and we feel we are using it to its best advantage, with the short planning time we have.

RESPONSE OF WILLIAM MCLEOD, DOLAND INDEPENDENT No. 54, DOLAND, S. DAK., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 158.

What is the ADA in your school district grades K-12?

Answer: 510.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$24,955, 1969 \$22,662, 1970 \$19,715.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$5,000, 1971 \$15,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. Without Federal Funds our Title I programs would be automatically dropped.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. To the extent of our program offerings. If more money was available there

are several programs that we could incorporate to fully meet the needs of our disadvantaged children.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Our School District has reached its maximum mill levy. This would make it impossible for us here to locally fund our Title I programs. If more money was available we could broaden our present program for the disadvantaged children in other curriculum offerings. If this was possible we would be fully assured of completely educating the whole child.

RESPONSE OF WILLIAM S. SARTORIUS, SUPERINTENDENT, BOARD OF EDUCATION OF BALTIMORE COUNTY, TOWSON, MD., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 2,538.

What is the ADA in your school district grades K-12?

Answer: 129,839.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$689,460, 1969 \$615,924, 1970 \$559,906.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$600,000, 1971 \$625,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, considering the relatively low level of funding.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Speaking for Baltimore County only, I can safely document that the disadvantaged pupils, where they are sufficiently concentrated, are being served. However, the law does not allow schools to be served where only small numbers of disadvantaged pupils attend, even though these "pockets in affluence" need at least health services. Lack of adequate funding prohibits a project developing on various levels of intensity of service.

RESPONSE OF VALDOSTA CITY SCHOOLS, VALDOSTA (INDEPENDENCE), VALDOSTA, GA., JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: Regular school year, 1295; migrant children, 80; summer program, 1150. There is a great deal of duplication in regular and summer program.

What is the ADA in your school district grades K-12?

Answer: 7023 (1968-69 School Term).

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$183,957, 1969 \$324,594, 1970 \$255,010.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$115,000, 1971 \$115,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. If we did not Title I funds our disadvantaged children would be much lower in their school work. We have been giving disadvantaged children breakfast and lunch, without it some would go hungry.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Very definitely. Most of our disadvantaged children are below grade level. We have figures to show that Title I monies are helping to close the gap.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

RESPONSE OF WILLARD O. COOPER, LINCOLN COUNTY, STANFORD, KY., JANUARY 18, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 3,150.

What is the ADA in your school district grades K-12?

Answer: 3,680.6.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$344,450, 1969, \$314,061, 1970 \$282,393.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$35,000, 1971, \$40,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. Our Title I program is designed to reach the economically and educationally deprived children of Lincoln Co. and we are getting the job done.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, very effective when properly administered for these children.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Extra funds directed to providing better service for these children is not wasted.

RESPONSE OF DR. HAROLD H. HITT, SUPERINTENDENT, SAN ANTONIO INDEPENDENT SCHOOL DISTRICT, SAN ANTONIO, TEX., RECEIVED JANUARY 19, 1970

How many children in your district are benefitting from education programs funded under Title I of ESEA?

Answer: 22,057.

What is the ADA in your school district grades K-12?

Answer: 69,979.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968, \$2,279,241; 1969, \$2,622,072; and 1970, \$2,363,785.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970, \$200,000; 1971, \$250,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes. It is one of the critical needs in this area.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. The few programs we have are very effective in helping the educationally disadvantaged child.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: Current guidelines make it almost impossible to misdirect Title I funds.

RESPONSE OF DR. GUY L. VARN, SUPERINTENDENT, RICHLAND COUNTY SCHOOL DISTRICT 1, COLUMBIA, S.C., JANUARY 19, 1970

How many children in your district are benefiting from education programs funded under Title I of ESEA?

Answer: 17,275.

What is the ADA in your school district grades K-12?

Answer: 38,905.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$1,277,100, 1969 \$1,153,024, 1970 \$1,070,779.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$275,000, 1971 \$500,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We know that Title I funds have been effectively used in this district to the educational advantage of the disadvantaged.

RESPONSE OF J. A. McPHERSON, ASSOCIATE SUPERINTENDENT, MOBILE COUNTY PUBLIC SCHOOLS, MOBILE, ALA., JANUARY 19, 1970

How many children in your district are benefiting from education programs funded under Title I of ESEA?

Answer: Public 53,418, private 1,201.

What is the ADA in your school district grades K-12?

Answer: 68,555.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$2,009,397, 1969 \$1,847,143, 1970 \$1,662,226.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$1,000,000, 1971 \$1,000,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes, but could be more effective if additional funds were available.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: These funds are being properly used in our opinion and additional funds should be provided.

RESPONSE OF CHARLES F. CLARK, SUPERINTENDENT, FLOYD COUNTY SCHOOLS, PRESTONSBURG, KY., JANUARY 18, 1970

How many children in your district are benefiting from education programs funded under Title I of ESEA?

Answer: 5,867.

What is the ADA in your school district grades K-12?

Answer: 9,110.8, 1968-69 School Year, 8,814.17, 4th month—18 day month.

What was the amount of your ESEA Title I grant in each of the following fiscal years?

Answer: 1968 \$874,677, 1969 \$798,347, 1970, \$712,604.

What additional funds, if any, could you effectively apply to your Title I programs in fiscal year 1970 over and above the present level of funding? In fiscal year 1971?

Answer: 1970 \$200,000, 1971 \$300,000.

In your judgment, do you believe that the Title I programs are needed to meet the special needs of educationally disadvantaged children?

Answer: Emphatically yes.

Do you regard your present Title I programs as effective in meeting special education needs of educationally disadvantaged children?

Answer: Yes. Additional funds could strengthen it.

Recent hearings in Washington disclosed that inadequate funding was the greatest obstacle in the path of more effectively reaching the disadvantaged. Others now contend that we cannot effectively utilize extra funds contained in the HEW Appropriation Bill because the funds are being misdirected and are not reaching the disadvantaged contemplated under Title I ESEA. Your brief comments on these contentions would be appreciated.

Comment: We are in complete agreement that inadequate funding is the greatest obstacle in more effectively reaching the disadvantaged.

HOUSING CRISIS PAST TALKING STAGE; CONGRESS MUST STOP NIXON ADMINISTRATION HIGH INTEREST BINGE

The SPEAKER. Under a previous order of the House the gentleman from

Texas (Mr. PATMAN) is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, in recent months we have heard many pious words about high interest rates and their terrible effect on the homebuilding industry.

The talk goes on and the interest rates get higher and higher. This is the time for action and less talk.

We now have the administration's position clearly on record. Twice in less than 12 months the administration raised interest rates on VA- and FHA-insured mortgages. Today, the effective interest rate on an FHA mortgage—including the one-half percent for insurance—is 9 percent—or 25 percent above the figure in effect last January.

Mr. Speaker, this latest increase means that a \$20,000 home will require almost \$38,000 in interest payments over the life of a 30-year mortgage—a total cost of \$58,000. Mr. Speaker, most of the low- and moderate-income families of this Nation simply cannot afford such costs and they have no opportunity to obtain decent housing when we allow a 9-percent interest rate to be imposed. In fact, the average wage earner with an income of less than \$13,000 to \$14,000 a year is effectively priced out of the housing market.

Mr. Speaker, I place in the RECORD a copy of a news release which I issued following the announcement of the latest FHA interest rate increase:

NEWS RELEASE BY REPRESENTATIVE PATMAN

WASHINGTON, D.C., December 31.—Denouncing the latest increase in FHA and VA interest rates as a death warrant for many housing programs, Chairman Wright Patman today called for a wide-ranging Congressional re-examination of home mortgage financing.

Mr. Patman said the re-examination is necessary to offset what appears "a calculated effort of the Nixon Administration to close out low-income and moderate-income housing programs through round after round of interest rate increases."

"The latest interest rate increase is the height of irresponsibility when viewed against the Administration's failure to offer even the most meager alternative to the great mass of the American population that cannot afford homes bearing 9% mortgages," Mr. Patman said. (This figure includes one-half per cent for FHA insurance.) "The Administration raised these interest rates fully aware that most families with incomes less than \$13,000 a year would be priced out of the housing market."

This Administration, through its encouragement and acceptance of high interest rates, is developing Federal housing programs only for the affluent with the low and moderate income citizen left out in the cold," the Banking and Currency Committee Chairman charged.

"Faced with this attitude by the Administration, it is the responsibility of Congress to act swiftly to provide alternative means of financing homes for these families. The Congress cannot become a willing partner in the Nixon Administration wrecking crew."

Mr. Patman said he would call for an early re-examination of proposals to have the Federal Reserve System purchase large blocks of housing mortgages at interest rates not in excess of 6 per cent. He said the Federal Reserve should make available between \$10 and \$20 billion to assure recovery of the housing market.

He noted that similar proposals calling for the Federal Reserve to purchase \$6 billion worth of housing paper failed on a close vote

in the final days of the First Session. He said a switch of 30 votes would have put the proposal into law and brought immediate relief for housing.

"I am convinced that the House would have approved this measure had the Members realized that their constituents would be forced to pay a nine per cent interest rate in a few short days," Mr. Patman said.

Mr. Patman said he would also urge early consideration of other measures which provide additional alternatives for home financing. He referred specifically to legislation which would set up a \$2 billion fund for direct Federal lending at 6 per cent interest; a National Development Bank modeled after the old Reconstruction Finance Corporation; and legislation designed to encourage increased investments in home mortgages by the various pension funds.

He said he planned to give these measures priority treatment in the Banking and Currency Committee in the Second Session.

Mr. Patman said Secretary Romney's announcement of a new interest rate increase was poorly timed and will result in new pressures to force all interest rates up.

"The Administration should be devoting its energy to rolling back interest rates and not shopping around for places to announce new increases," Mr. Patman said. "The Administration is apparently intent on sending the homebuyer out in the market to compete with the big corporations, the gambling casinos and fast-buck operators for available loan funds. The homebuyer cannot compete in this market and the Federal Government should not force him to do so."

The Administration, Mr. Patman said, now has the unenviable record of creating the fastest and the most frequent housing interest rate increases in the history of the nation.

"Secretary Romney has been in office only eleven months and he has managed to raise the FHA interest rate 25 per cent," Mr. Patman said. "It is significant that housing starts have dropped from an annual rate of 1.9 million units to about 1.2 million units since Romney announced his first increase in the FHA rate last January."

Mr. Patman said the latest increase was apparently being justified by claims that the action would provide more housing and that the so-called discount points would be eliminated.

"These are the oldest and the most fallacious arguments that could be used in support of this unnecessary interest rate increase," he charged. "There is absolutely no evidence that high interest rates bring more housing. It is a fact, undisputed by any housing economist, that interest rate increases price the lower income groups out of the housing market."

Mr. Patman said that a reduction in the "points" would be only temporary and "very slight at the best." "In past interest rate increases, the points have declined for a few months and then skyrocketed back to their high levels again. And this will happen again with this latest increase."

"The homebuyer will continue to pay points as well as a record high interest rate," Mr. Patman said. "In fact, the purchaser of a \$20,000 home will pay more than twice the value of the house in interest charges, points, and other finance charges over the life of a thirty-year mortgage."

Mr. Speaker, I have received a great volume of telegrams and letters from people all over this Nation expressing their strong opposition to this latest and unnecessary increase announced by Secretary Romney on December 30.

Mr. Speaker, these letters express better than anything I could say the feelings of the people who have been betrayed by these high interest rates. I urge that my colleagues read these let-

ters carefully. These are the heartfelt opinions of people who are looking to their elected Representatives for some relief from the terrific burdens of high interest rates. It would be a great shame if this Congress ignored these honest pleas from the people.

The material referred to follows:

GLENOLDEN, PA.,

January 1, 1970.

Re Increased Mortgage Rates (FHA-VA).
Representative PATMAN,
Chairman, House Banking Committee,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE PATMAN: Congratulations on your statements denouncing the increases in mortgage rates from 7½% to 8½% (plus ½ of 1% on FHA mortgages) as "sneaky" announced late of Dec. 30 and effective Monday, January 5, 1970 by George Romney, Sect. of HUD.

This action was well known to become a fact, by anyone dealing in the field of home financing; for several months, and I'm sure known by your Committee.

The Federal Law enacted in May 1968 authorizing the HUD Secretary, in consultation with the V.A. Administrator to set the interest ceilings on Federally backed mortgage "sufficiently" to compete with money market prices should never been permitted. This freedom; power by a Cabinet Member makes our Representatives, elected officials useless.

Only a week ago, after a Home Builders Convention in Texas, Mr. Louis R. Barba, acting President of the National Association of Home Builders, members of over 51,000 builders advised Mr. Romney not to increase the interest rate from the 7½% level. Mr. George Meany, Pres., AFL-CIO, has denounced this action as a serious blow to home buyers and residential construction.

This increase is most inflationary, and affects only the millions of workers, taxpayers, family men who are buying a home; not the poor or the affluent. The poor have a subsidized program, if they want to purchase a home; the affluent are benefitted more and more by tax exemptions.

I worked and lived in Washington, D.C. for fifteen (15) years and admired your capabilities and action on many bills before Congress; I can only say thank God we still have one representative left.

I am not writing this letter, just to write, but to bring to your attention the millions of average people, who will be adversely affected by the "rotten action" by Romney, one little cabinet officer.

The only action now for all our representatives and Senators is to "override this action," set back the percentage to 7½%, and then adopt your resolution for the Federal Reserve System to buy blocks of housing mortgages at rates not above 6 per cent, and keep them off the trading market.

If this is not done, the average man and woman has no alternative but to resort to other means of escaping taxes, high interest rates, or relief and welfare.

The present system of Federal contract on housing, FHA and VA, has already created a monster in financing—both buying and selling property. A seller of property under FHA-VA must pay "points" of at least 10% to obtain a mortgage for the buyer—this is added to the selling price plus the buyer as a veteran pays 7½% mortgage, and FHA buyer 7½% + ½ of 1% mortgage insurance premiums. Now with the so-called 8½% (9%)—the "points" do not drop, and if so about 1% for a month or so. These "points" should be declared illegal for either buyer or seller, but instead is encouraged by our own Federal Government.

I hope my effort in writing to you, is not in vain and that your administrative assistants, will pass this one on to you. Also I

hope and pray that you can continue to support the public as you have done, and enjoy good health.

Very truly yours,

OWEN F. BRENNAN.

KANSAS CITY, MO.

MR. PATMAN: I am writing you this letter in regards to the recent announcement of an interest increase in FHA and GI house mortgage interest rates by Mr. George Romney.

In my humble opinion this is a disaster especially in this period of inflation and uncertainty—very ill timed. My respect for Mr. Romney prior to this was to the utmost, but now I see him as just another tool for big business.

There is much resentment to this action and don't be surprised if Washington isn't flooded with mail.

If this increase becomes a reality and I believe it will, we will surely remember this administration in the coming elections.

We hope that you will conduct an investigation into this matter and bring the facts to the people.

MR. V. CALIA.

TORRANCE, CALIF.,

January 1, 1970.

DEAR MR. PATMAN: My wife and I have been married seven years now, and for all of that time we have been saving for and dreaming of owning our own home.

My income is now at a level where a few years ago I would have thought it sufficient to buy a home. Now with the interest rates as high as they are it appears unlikely that we will be able to buy in the near future.

I understand, basically, some of the problems of inflation and the idea behind tight money as a means of fighting it. But it seems terribly unfair when it hurts a certain segment of the population so much harder than others.

I have just read of the increase in FHA/VA rates and of your plans to try to do something about it. I have never before written to a Congressman, but now I feel compelled to express my feelings on this matter, and also to let you know how much I appreciate your stand on this matter. I hope to God you are able to do something.

Sincerely,

HAROLD P. THOMPSON.

LEON RIMOV & ASSOCIATES,

January 2, 1970.

HON. WRIGHT PATMAN,
Chairman, House Banking Committee,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PATMAN: The raising of the VA and FHA interest rate to 8½% plus ½% mortgage insurance is the start of a new war on inflation. It cannot be stopped if the federal government doesn't stop competing within its own family for money.

The raising of the interest rate is without question the most serious financial move the Nixon administration has made concerning the general economy. It is very easy to project the consequences of this increase. They are as follows:

1. Middle and upper middle income housing will be paid for by buyers at 10% plus at least 2 points discount.

2. The Federal Reserve Board will in time raise the prime interest rate at least by 1 point and possibly 1½ points.

3. There will be little or no chance for state and local governments to undertake public improvement projects which are vital to the health, safety and welfare, such as: new sewer plants, new disposal sites, improved transportation, improved sewers, public utilities.

4. FHA will not effectively serve either the middle income or the low income families by this new increase in the interest rate.

5. Construction in this country will come to a screeching halt before the middle of this year if positive steps are not taken to lower the interest rate immediately. The inflationary action by George Romney, Secretary of Housing, is one of the greatest acts of foolishness ever perpetrated on the general public by a public official.

I look forward to an immediate response and action on your part and that of other members of your committee.

Sincerely yours,

LEON RIMOV.

JAS. W. FISHER AGENCY, INC.

Spencer, Iowa, January 2, 1970.

HON. WRIGHT PATMAN,
Chairman, House Banking Committee, House
of Representatives, Washington, D.C.

DEAR REPRESENTATIVE PATMAN: I have just read with great dismay the announcement by Secretary of Housing Romney raising the interest rate on FHA and GI home mortgages to 8½%.

I would like to commend you on your criticism of such action and your indication that the House Banking Committee would strive for modification of the home mortgage interest rate.

You are absolutely correct in your observation that this high mortgage interest is preventing those who wish and need to buy a home from doing so.

It is my understanding that savings and loan institutions were instituted as a main source wherein home buyers could secure home mortgage financing. It has been my sad observation that, over the years these institutions have devoted more desire in ways and means of developing greater profit for the institution . . . with mounting spread between the interest paid on deposits and interest received from mortgages. Plus charging increased loan closing cost fees to both mortgagees and "points" charged to sellers.

I do hope that you and your committee will do everything possible to work for reduction of interest rates and assistance to the many American families who desire to buy a home.

Respectfully,

F. W. FISHER.

HACIENDA HEIGHTS, CALIF.

Representative WRIGHT PATMAN.

HONORABLE SIR: I wish to compliment you as being one with enough back bone to say something about this high interest rate. My how we need some one like you. This is one of the biggest farces I have heard. Twice with no reason only to keep the man we all need from having a roof over his head.

The man that furnishes most of our men to fight the battles such as W.W. 1 & 2, Korea and now Viet Nam has no one to fight for him. We are in trouble with riots, rapes, robberies & killing just because no one has back bone in the Administration to do anything for the little man & men coming back home from Viet Nam cannot buy a home in any area. The cheapest home and only one (1) 15,950 to sell G.I. 112.37 principal & Int. \$16.67 taxes: \$4.00 apr for Ins.: \$133.39 Per Mo. to buy he must make \$540.00 Per mo. \$312.00 Per Hr. and in our area which is City of Industry & some pay as little as \$1.75 per Hr. & our largest pays \$2.25 to \$3.00 for unskilled labor. So you can see they were out classed before this 1% raise came in to being. Please see this as I do. As I am a Real Estate Salesman, and am near 65 years old. And all I can do is give you any information you may need in my area of near Los Angeles, Calif. Please for the decency of your fellow man even if you are not in our area.

Stay in there and fight. I have written to ones in my area and they are to chicken or are ones that have there fingers in the pie & don't want to pull it out. Election is coming in our area and I have never said

anything before but I can't sit back now with such as we have in office now.

One and three quarters percent rise in such a short time is plain nuts.

Hold down inflation for the working class but turn it loose for the ones that can get fat on it. Keep up the good work and if I can help in any way please call on me.

Yours truly,

Mr. J. E. STEVENS.

DETROIT, MICH.

DEAR MR. W. PATMAN: I certainly approve of your intention to investigate high interest rates which in addition to being inflationary constitute economic rate by the rich of the poor.

Thank God there are a few people around who object to this kind of criminal activity!

Sincerely,

SIDNEY M. MANUEL.

PENSACOLA, FLA.,

January 2, 1970.

SIR: We are within two weeks of closing a VA guaranteed mortgage.

Should I try and stall to await the outcome of your investigation into the increase in interest.

If I close the loan at 8½% and the increase is rescinded will I be stranded at 8½% or will it be as if the increase had never happened.

Truly,

WILLIAM J. BERRIO.

FAIR LAWN, N.J.,

January 1, 1970.

HON. WRIGHT PATMAN,
Chairman, House Banking Committee,
House Office Building,
Washington, D.C.

DEAR MR. PATMAN: Thank you so much for speaking out against the injustice of the raise in interest rates for FHA mortgages. I was heartened somewhat that someone in Congress is speaking for the average American citizen rather than for big business.

We saved for ten years and finally applied for an FHA mortgage on Nov. 23, 1969 at the rate prevailing. After yesterday's announcement of the rise, we knew that we could not go ahead with our plans to buy this house. It seemed to us illegal that our government would not honor an application made well before the change.

My husband earns \$16,500 and I earn \$2,000 annually and we are unable to buy a house in this area with a down payment of \$9,000. It is indeed an incongruous situation.

I have written to my own Representative (Widnall) and my Senators (Case and Williams). I indeed hope that their view will be similar to yours.

Why is the President allowed to make such decisions without consulting Congress. This is indeed puzzling to me.

Thank you again.

Yours sincerely,

Mrs. NATALIE STEINBERG.

MIAMI, FLA., January 3, 1970.

DEAR CONGRESSMAN PATMAN: Please excuse this scribbled letter; my typewriter is in storage.

I read of the stand you have taken against the FHA/VA interest hike in the Miami Herald and wanted to write and tell you how glad I was to hear someone in Washington had spoken out against it.

I was particularly upset to hear of the interest hike because I had already committed myself to buying a house in Miami under a VA loan and yet will not be able to close before January 5th so will have to pay the added interest point. This will add approximately \$21.00 a month to my house payment and some \$6,000-\$7,000 to my mortgage.

I am opposed to any interest rate increase but particularly upsetting to me was the

fact that only two working days expired between the day the increase was announced and the day it became effective. In all fairness to the hundreds or even thousands of people who had applied for VA loans before the rate increase was announced it seems to me they should have been guaranteed the old rate of seven and one-half percent.

As it was, I applied for my VA loan on November 19, 1969, buying a house that was going to stretch my salary quite a bit. Now I've had this surprise interest hike pulled on me and quite frankly I feel as though my government has been unfair to me.

Also questionable to me was the fact that I signed all the papers that were to go to the VA on December 16, 1969. This was after F&R Builders of Miami had run their credit check on me. When I called the VA office in Jacksonville, Florida on December 31, 1969 they hadn't even received the papers from F&R much less had time to process them before the interest hike became effective. I have not yet heard the cause of the delay but it has been an expensive one for me.

Thank you for taking the time to read my letter; I am with you one hundred percent in your fight against higher interest rates.

A slight history on myself; I have just been released from the Marine Corps after serving four and one-half years as an officer. I spent a year in Vietnam and am now working for Delta Airlines.

Sincerely,

JOHN W. BOTTOMS, Jr.

BROOKLYN, N.Y.,

January 1, 1970.

DEAR MR. PATMAN: More power to you! And less to the banker millionaires whom Mr. Romney has joined.

Enclosed a copy of my letter to him.

Respectfully yours,

Rabbi FRED S. HEUMAN.

BROOKLYN, N.Y.,

January 1, 1970.

DEAR MR. ROMNEY: And you were considered the Liberal in the Cabinet of the Nixon administration. And you have now added over \$6,000 to a \$30,000 home to be financed by FHA, in order to soak the worker and enrich the banker.

You are not so naive as not to see that the constriction of the money supply has not halted inflation. The answer to inflation is a voluntary commitment in this country to hold the price line and to halt all increases. The labor demand will slacken as well.

You've done the opposite. You should be fighting your administration's overbearing banking interests who here so far succeeded in their enormous profits by the wide spread between a 5% interest rate paid on savings and an 8½% interest rate charged on loans. Your collusion is the saddest to take. You will regret it, as it does our country harm.

Sincerely yours,

Rabbi FRED S. HEUMAN.

JANUARY 1, 1970.

DEAR MR. PATMAN: Although I am not one of your constituents I still wanted to write to you about my feelings. As a private citizen I appreciate the work you are doing to protest the high interest rates. At today's rates it does not pay to own a house, the rates are criminal. Young people like myself who make comfortable livings and know how to add, realize that these rates are terrible. It is cheaper to rent, even at high rents than to buy. Second mortgages are becoming commonplace. Let's get this country back to normal so that inflation will stop eating up every dollar. Put tight controls on the crop of credit buying. The banks don't have mortgage money because they need it for their irresponsible credit card holders at 1½ percent per month or 40% true annual interest rate.

Enough, even at 6% interest is high for mortgages. Please continue to press your colleagues and make them act like responsible lawmakers instead of idiots.

Thank you and happy and healthy New Year.

NORME SEHL.

FRESNO, CALIF.,
December 31, 1969.

Representative WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE PATMAN: I am in agreement with you, in your investigation and legislation to offset the 8½ percent interest rates on F.H.A. and V.A. home loans.

This is nothing but a Republican move for the money class of people.

The wage earner can no longer buy a decent home for his family.

Thank you for any assistance on this matter.

Sincerely yours,

EDWARD J. BRANNAN.

NORTH MIAMI BEACH, FLA.,
December 31, 1969.

HON. WRIGHT PATMAN.

DEAR SIR: Thank you very much for your efforts to stop the rise in interest rates. It seems as though anything that will be of help to the working man is considered inflationary by the present administration but the tremendous allowances given to the multi-millionaire such as the oil depletion allowance, tax-free bonds, etc., is not.

Sincerely,

ABRAHAM WALFISH.

STRATFORD, CONN.,
January 2, 1970.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR SIR: A recent article in our local newspaper, the Bridgeport Post (Bridgeport, Connecticut) has prompted me to write to you. I want to commend you for your statements of fact concerning the interest rate on government-backed housing loans. You were quite correct in stating that the administration is developing federal housing programs only for the affluent.

My husband and I have worked and saved for five years, we have no children and have lived in a very reasonable rent for five years. We are not extravagant and, I think, have above average salaries for our age and geographic location. We have many friends who are in the same situation, and many who have children and the wife cannot work.

We cannot find, in this area of the country, a new 6 room ranch house for less than \$30,000. This does not include a garage, driveway, landscaping, and, many times, does not include city water, sidewalks or sewers. This would be added cost to the purchaser. For the sake of example, let's say we found "something" for \$25,000—this is the way it would break down:

| | |
|-----------------------------------|----------|
| House | \$25,000 |
| Downpayment (20% now required) .. | —5,000 |
| Total | 20,000 |

FHA Mortgage Payments per month on \$20,000 at 9% for 30 years equals:

| | |
|----------------------------|----------|
| Per month | \$161.00 |
| Per month town taxes | 40.00 |

Total per month cost to us.... 201.00

Please keep in mind that for this area this is not, by any means, a good home. For this money it would most likely be between 40 and 50 years old. And, above that, the only reason we could afford it is because we both work.

I wouldn't even venture to imagine how many people are in our same situation. But I know one thing, the man or the party that

can beat this interest rate down, will have our vote for many years to come.

Please keep up this good work!

Sincerely,

Mrs. ROBERT BUDA.

JANUARY 1, 1970.

HON. WRIGHT PATMAN,
Congress of the United States,
Washington, D.C.

DEAR SIR: First let me express my humble thanks for your stand against the high interest rate, just shoved down my throat along with many GI's by the present administration.

At present I am under contract to buy my first home, 7½% VA and of course to be 8½%, now highest permissible rate at time of closing. I completed 28 years of naval service 3 Sept. 1969, and am now in the civilian labor market. Renting for past 18 years.

Negotiating for a home loan I have found the VA loan money at 7½% was not tight as they claim. Almost any sub-division in this area could be financed under VA 7½%, the big problem with the moderate income (average) family is the high cost of the homes. High taxes, insurance, and now on top of all this another increase on the interest rates.

I feel along with other GI personnel in this area that the decision of Mr. Romney and Administration is, they are not really thinking of me the GI, but the big business concerns, mortgage companies and like you say the affluent.

I hope along with you, the Honorable Russell, Honorable Rivers, and others, feel this increase is uncalled for and is only in the interest of the mortgage companies. If the money is tight, increasing the cost sure doesn't seem to be the answer to the many of us that feel we can't really afford a home under present costs.

Thank you for speaking out.

T. R. McCONNELL.

SEATTLE, WASH.,
January 10, 1970.

HON. WRIGHT PATMAN,
U.S. Congress,
Washington, D.C.

DEAR SIR: Please find enclosed clipping from real estate section Seattle Post Intelligencer of this date.

In view of your investigation of high (8½%) F.H.A. & V.A. interest rates I thought this article might be of some value.

Thank you for your splendid efforts in this age of brain washed economists.

Yours truly,

DOUGLAS J. O'ROUARK.

[From the Seattle (Wash.) Post-Intelligencer
Jan. 10, 1970]

The increase in the FHA and VA mortgage rate from 7½ to 8½ per cent pushed down the discount rate being charged sellers here on real estate sales this week; but—

1. The drop wasn't as great as many hoped it would be.

2. And, many were already predicting that the discount would work its way back up to the old level as the year progressed.

The discount is the charge levied by lenders against sellers in most home-sale real estate transactions in an effort to make the money loaned earn the going market rate.

Before last week's increase in the FHA-VA basic interest rate to 8½ per cent, lenders had been demanding as high as 10 per cent discounts from sellers on the total sales price.

When the new rate was announced last week, lenders expressed hope that the discount rate would drop substantially thereby making it easier for sellers to sell their home, thus loosening up a tight real estate sales market.

Some officials reported that discounts had dropped back to 2 per cent. But most were

pegging the discount at midweek at somewhere between 4 and 6 per cent.

As always, the exact amount depended on the quality of the loan being made—the quality of the house, the credit standing of the new buyer and the availability of money.

Garth Marston, vice president, marketing, of Washington Mutual Savings Bank, said the discounts had ranged from 2 to 4 per cent at the start of the week but had worked their way up to 6 per cent toward the end of the week.

Carl A. Sandquist, president of the Coast Mortgage Co., said the * * * discount rate would probably level out at between 5 and 6 per cent.

Sandquist pointed out that lending institutions which sell FHA and VA mortgages to the federal National Mortgage Association (Fanny Mae) to get more cash to lend for housing were having to pay as much as 5 per cent discounts on the money they borrowed.

In other words, for every \$1,000 worth of mortgages they sold they were able to collect only \$950 in cash.

Such lending institutions can come out even in reloading the money only if they, too, charge a similar point discount.

Despite discounts or higher interest rates, lending institutions simply don't have money to lend. Fanny Mae has been the only source.

William J. Winn, executive vice president of the Master Builders, was among those who predicted that the discount rate would work its way back up to an even higher level.

Bond interest rates—generally considered an indicator of the state of the money market—have continued to increase, even since the new 8½ per cent home mortgage interest rate was announced.

If history repeats itself, discounts points will rise, to, in order to keep up with the competition.

Winn, however, saw today as a good time to buy a home. He foresees no decline in interest rates.

"It's still definitely a buyers market. We have lots of homes to sell in almost every price class. And with the discount rate where it is today, sellers will probably be more anxious to sell than ever before."

ARLINGTON, VA.,
January 13, 1970.

HON. WRIGHT PATMAN,
U.S. House of Representatives,
Washington, D.C.

MY DEAR MR. PATMAN: I doubt that you will see this letter but I will make it short in the event you do.

I want to express my concern over the 8½ percent interest rate that is presently in effect for home loans. I have worked for a number of years before marriage and after in order to be in a position one day to provide a home for my family. My husband and I expect a child soon and find that we are unable to meet mortgage payments when interest rates are at the 8½ percent level.

I find this situation completely frustrating, disappointing and unfair and I heartily endorse your proposal to have the government provide low cost loans for home buyers.

Sincerely,

CATHERINE L. TIMMENY,
Mrs. Wallace L. Timmeny.

POMONA, N.Y.,
January 13, 1970.

Representative WRIGHT PATMAN.

DEAR SIR: My husband and I are fully aware of your tremendous efforts to roll back the interest rates, and ease up the tight money situation.

All the reports that we have read, show that the banks are continually showing larger and larger profits.

The way this Administration is handling the economic policies, is helping to make the

rich, richer; and placing the "little man", in a very very precarious situation.

We sincerely pray that you are able to muster enough support to remedy this situation.

Very truly yours,

Mrs. JANICE STERLING.

FULTON, N.Y.,
January 2, 1970.

Representative WRIGHT PATMAN,
House Office Building,
Washington, D.C.:

Raising of FHA and GI interest rates will break the back of the home building industry. Are we going to continue to allow the banking industry to control our government?

Mayor PERCY E. PATRICK, Jr.,
Builder and Developer.

LOWELL, MASS.,
January 1, 1970.

Congressman WRIGHT PATMAN,
Chairman, House Banking Committee,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN PATMAN: We view with dismay the recent action raising FHA and VA mortgage rates to 8½ percent, and heartily endorse your investigation this inflationary act. We wish you could prevent its going into effect. We are already home owners. It is the effort of all future home buyers and our country's monetary policy that bothers us. Please try to reverse this trend of spiraling interest rates.

EDWARD AND GLORIA BOYSON.

ALEXANDRIA, VA.,
December 31, 1969.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR MR. PATMAN: I have just heard on the evening news program that you are going to conduct an inquiry or investigation into the announced raising of the VA/FHA home loan rates to a new high of 8½ per cent.

The purpose of this letter is to offer you whatever moral support and encouragement that my wife and I are capable of in your opposition to the suddenly announced interest rate ceiling.

My wife and I moved to this area about 6 months ago to accept employment after retiring from the Navy. We are both lifelong Texans from Hamilton and considered Texas our legal state of residence until I retired and moved to Virginia.

We are in the process of trying to buy a house in the Escena subdivision in Oxon Hill, Maryland for delivery when construction is completed next June. We have applied for VA financing with the Colonial Mortgage Corp. of D.C., 1101 17th St. NW, and this firm is now processing our application for VA financing.

When we signed a contract to purchase the house, there did not seem to be any problem whatever in locating the financing at the rate of 7½ per cent. There may well have been a shortage of money available but it certainly was not apparent to us. We hoped to be able to purchase this house with 7½ per cent or less money and were shocked yesterday when we heard that Mr. Romney had raised the rate to 8½ per cent!

Mr. Patman, we are at a complete loss to understand how this boost of a full one per cent is going to help solve our nation's housing shortage. While there may be more firms willing to lend money at the new 8½ per cent rate, we wonder just how the people who need housing are going to be able to afford an extra \$30.00 or so per month which an average housing loan in this area will be boosted by the one per cent hike. Perhaps only by salary increases which certainly doesn't improve the Administration's chance of bringing inflation under control. Rather

than helping the situation it just seems to be another weary round of inflation.

We encourage you, Mr. Patman, to do all that you can to cause this boost in interest rates to be rescinded. It is completely unjustified in our view.

Respectfully yours,

GLEN VAUGHN.

LITTLETON, COLO.,
January 2, 1970.

Representative WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR MR. PATMAN: With the very recent interest increase in the F.H.A. and V.A. backed housing loans, I feel compelled to write you and express my feelings with regard to the investigation and legislation to offset this recent increase that you are proposing to conduct.

Just recently I applied for a V.A. backed housing loan to finance the construction of a new home and this recent increase in interest rates will have a very significant impact on the total cost of that loan. With the present conditions the way they are, it is becoming next to impossible for a family to afford housing.

I am therefore, in favor of anything you and your committee can do in an effort to bring the interest rates on housing loans back down to a level that will be realistic and within the reach of the so called "Middle Class" citizen.

Sincerely yours,

DONALD C. ROSE.

MATAWAN, N.J.

HON. WRIGHT PATMAN,
Washington, D.C.

DEAR MR. PATMAN: I was agreeably pleased with an article in the N.J. Star Ledger of your interest in the hike in mortgage interest.

I am a widow and live in a garden apartment with three rooms. My daughter also has a four room apt. in same area. Three years ago, I moved here rental at \$115 first year, second year \$117.50, third year \$130.00. My daughter rented said apartment first year \$155, new lease \$180.00. We figured with these high rentals we could buy a home together. We looked around and was hit with the high interest plus large down payment. Where are people like we going to find a house with liberal down payment and low interest for \$311.00 per month. I was pleased to hear what your committee with its proposals intend to do. Lots of luck and be assured we are rooting for you.

Sincerely yours,

LORETTA D. CONNELL.

ELMA, N.Y.,
January 1, 1970.

DEAR MR. PATMAN: Is there anything that can be done to reverse the interest rate climb.

We are on the verge of buying a new home but between these fantastic rates and high taxes we just can't swing it.

Very truly yours,

CHARLES W. TENT.

INGLEWOOD, CALIF.,
January 1, 1970.

Sir: We deplore the continuing rise in interest rates on home mortgages and strongly believe it has a most damaging effect on our economy and a great influence on the ever continuing spiraling inflation.

We strongly applaud your denunciation of the latest increase on government-backed home mortgages and sincerely hope you will do everything in your power to initiate legislation that will force a downturn of such unreasonably high interest rates.

Respectfully,

Mr. and Mrs. SIDNEY GERTZ.

ASHEVILLE, N.C.,
January 4, 1970.

Representative WRIGHT PATMAN,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE PATMAN: May I commend and encourage you on your recent proposal to fight increasing interest rates. After almost a year of struggling to improve our lot to start construction, we finally began in mid-November and were able to get the basement wall of our modest-sized house (1540 sq. ft.) up just before Christmas.

When we first contemplated building in May 1968 VA-backed loans, as you well know, carried an interest rate ceiling of 6%, quite acceptable for our purposes. The first raise to 6.75% hurt, as did the subsequent one to 7.50% in January 1969, but we continued, feeling as did most people, that continued inflation threatened our chances of building at all.

Now, with our basement wall up, most the frame lumber, plywood and hardwood flooring stored for use and all our subcontractors lined up and waiting, the latest New Year's hike to 8.50% has cleanly knocked us out of the market. I can understand Mr. Romney's immediate reasons for reluctantly assenting to this increase, but on the other hand I wonder just how many potential homeowners will enter the market now to grab up newly released money at this record-busting rate.

Again, may I say I applaud your efforts to have the government buy up blocks of mortgages at cheap interest rates to help the average man who wants, and definitely needs, a home of his own. Though not true, I sometimes wonder if our great country isn't primarily devoted to perpetuating the interests of the affluent and the rich while patronizing the "silent majority."

Respectfully yours,

ROBERT C. MARTIN.

GOODE'S DEPARTMENT STORE,
Vinton, Va., December 31, 1969.

Representative WRIGHT PATMAN,
Congress,
Washington, D.C.

DEAR CONGRESSMAN PATMAN: Again I congratulate you on your stand against higher and higher interest rates. Where will it all lead when will it stop? Higher and Higher we go until we come down with a Bust.

As a small independent businessman I do resent our Government Guaranteeing 8½% loan money to our very Affluent Life Insurance Companies and some of our Mortgage Bankers. Nobody guarantees small businessmen and wage earners anything. Money before People seems to be the trend in our Government today. We would all be far better off if all ceilings on both savings and interest charges were removed also take off the guarantees I suspect then some of our Banker Money Friends might get down to earth.

Keep up your Good Work.

Yours,

O. GOODE.

POINT PLEASANT, N.J.,
January 1, 1970.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

Sir: On December 31, 1969, on channel No. 2, WCBBS-TV, New York at seven p.m., the newscaster reported that you would investigate the approval of a raise in interest rates of V.A. and F.H.A. Loans. This investigation I heartily endorse, and if possible a reinstatement of the former rates at the earliest date. My reasons are basic. I won't be able to afford a home for my wife and three children.

In November 1968, I purchased a home at the above address with a V.A. approved loan

at an annual interest rate of 6 and $\frac{3}{4}$ percent. In May of 1969, just two weeks after we had moved in, the New Jersey Department of Transportation notified me that my home would be acquired to make way for the new Lovelandtown Bridge to be built here in Point Pleasant. Unfortunately the previous owners neglected to inform us of that fact. Since that time, I have begun proceedings to purchase another home at 514 Rhode Island Avenue, in Brick Town, New Jersey. I have already received preliminary approval from the F.H.A. Office located in Camden, New Jersey. My problem is that I am still waiting to hear from the Larson Mortgage Company in Freehold, New Jersey. More than likely, I expect to hear from them this Monday—January 5th, because by then the new $8\frac{1}{2}$ percent increase will become effective on that date. It looks as though I am going to be taken to the cleaners once again! Thanking you in advance on your interest in V.A. and F.H.A. rates, I remain,

Very truly yours,

KENNETH D. ENZ.

ORLANDO, FLA.,
January 1, 1970.

DEAR REPRESENTATIVE PATMAN: How do you tell a member in very high standing in the United States Government that he's a thief. That is the only word that describes someone who steals either for himself or is paid to steal for someone else.

I am referring to the men who raised the interest rates on V.A., F.H.A. home buying.

I used to own my home. I lost it to pay medical bills. I only have a V.A. eligibility, which expires this July, to purchase another one. At present I am trying to buy a home in Florida but due to a medical disability I can't afford anything except a shack at the current prices.

Now $7\frac{1}{2}$ percent is enough to pay for any home at least in my category, but it seems the big money men are out to grab every penny the poor man is able to earn.

I know that this investigation either will go on and on so it will do me no good or you will be shut up for ever trying to do the job you are getting paid to do.

Well I have had my say, so good luck to you and your committee.

A poor U.S. citizen,

MR. KENNETH DORSEY.

P.S.—Enclosed is a copy of the article that prompted me to write to you.

[From the Orlando (Fla.) Sentinel,
Jan. 1, 1970]

INTEREST BOOST PROBES PLANNED

WASHINGTON.—Congressional investigations and legislative action were promised Wednesday in the maximum interest rate on government-backed home mortgages.

No action was in sight, however, that would prevent the rate from going up next Monday to a record $8\frac{1}{2}$ percent. The current rate, in effect only since last Jan. 24, is $7\frac{1}{2}$ percent.

Rep. Wright Patman, D-Tex., chairman of the House Banking Committee, denounced as "the height of irresponsibility" the increase announced Tuesday by Secretary of Housing George Romney. Romney said he acted reluctantly, and under the pressure of money market conditions.

Patman said his committee will investigate and that he will urge it to act on several proposals he has pushed, so far unsuccessfully, to inject more funds into the mortgage market and bring interest rates down.

Sen. William Proxmire, D-Wis., announced a series of hearings starting Jan. 14 by a Senate banking subcommittee on bills to increase the amount of low cost credit—including housing loans—in poverty areas.

Patman's office made public estimates, described as based on F.H.A. figures, that the new interest rates will cost a middle-income

homeowner about \$15 a month more in his housing outlays.

These were based on the new F.H.A.-VA rate of $8\frac{1}{2}$ percent, plus one-half percent insurance, compared with the previous $7\frac{1}{2}$ percent plus the same insurance charge.

To pay off a \$20,000 mortgage in 30 years at the new rates, Patman's aides said, would cost a total of \$58,000 in principal and interest.

LOS ANGELES, CALIF.

January 2, 1970.

HON. WRIGHT PATMAN,
Representative, State of Texas,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE PATMAN: After two years of Army life and Army income and several years of apartment living, my husband and I finally found a house we wanted and could afford. We were counting on VA financing. Now due to the increase in interest rates from $7\frac{1}{2}$ to $8\frac{1}{2}$ percent we are very discouraged and find we may be unable to buy this home.

News stories reporting the new rate have also indicating your concern and the possibility of legislative action turning back this increase to be initiated by the Banking and Currency Committee. I strongly support your efforts.

I understand that the increased interest rate may make more money available, but we find the cost of borrowing that money has become prohibitive. Is there no other way to attain the same end?

Sincerely,

MRS. MARGARET T. HICKMAN.

DEAR REPRESENTATIVE PATMAN: The recent increase to $8\frac{1}{2}$ percent in the interest ceiling on home loans is outrageous and we ought to do something about it. Only the affluent will be able to buy homes, the normal working man will no longer be able to afford one. The time has come for legislation to roll back the interest rate. Consideration should be given to direct Federal lending, legislation to encourage mortgage investment by pension funds, or put into effect standby credit controls recently authorized by Congress. Current rates increase rather than decrease inflation. I would appreciate a list of those that serve with you on your banking committee.

Sincerely,

SEVIO R. GARCIA.

PHILADELPHIA, PA.

HON. WRIGHT PATMAN,
House Banking Committee,
Washington, D.C.

MR. PATMAN: Please, please stand up to Romney on the business of interest.

He is using a completely phony excuse for raising the interest rate. The real reason is pressure from the banking lobby.

At the expense of young homebuyers, he is giving the rich what they wish.

He is causing the young working man to continue to pay rent to the big business landlord. This is no way to fight inflation!

The interest rate on the basic necessity of housing is so sick. How can it be justified? It is the work of irresponsible fiscal puppets.

Won't you please pursue a course of remedy for us, the people who pay all the taxes, yet who can't buy a home for their family. What is this the land of the fee and the home of the slave?

Let's do something.

JOHN J. LYONS.

OXON HILL, MD.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR SIR: I am aware of your interest in the conduct of large financial institutions and of your championing of the rights of the single individual who has no alternative but

to accept the terms dictated to him by such institutions. Perhaps the facts of my case, as set forth below, will be one more bit of ammunition which you can use in your long running fight to bring a measure of justice and equity to the financial market place.

I signed a sales contract to purchase a new home which was in the final stages of construction on October 8, 1969, making a \$1,000 deposit at that time. On October 17 I made application for a VA guaranteed loan at Colonial Mortgage Company of Washington, D.C. The loan processing officer at Colonial with whom I dealt was incompetent, perhaps because of inexperience, and made numerous errors which I will not detail here but which can be documented. The result of these errors was that my loan application was not submitted to the VA for approval until December 23, far past the time that settlement should have taken place. The VA—to their credit, especially during the holiday season—processed the loan rapidly and final approval was granted on December 31.

But when I attempted to arrange settlement before the effective date of the rise in interest rates, January 5, the lender refused to cooperate. So now I am faced with the prospect of an increase in the payments on my new home of \$25.00 a month and the lender will be some \$9,000 richer over the 30 year life of the mortgage.

As an employee of the federal government (CIA), I deplore the fact that it was the decision of a federal official which made such a state of affairs possible. I wish you success.

Sincerely yours,

JOSEPH TURNER.

BOERNE, TEX.

HON. WRIGHT PATMAN,
Banking and Finance Committee,
Washington, D.C.

DEAR MR. PATMAN: It is with some concern that this writer has reviewed what has happened to interest rates in the last thirty to sixty days. It would appear that the Federal Government and indirectly your committee has no real abiding concern over the direction of interest rates. Certainly when the Government is willing to pay 8 percent under a direct obligation of the Treasury and $8\frac{1}{2}$ percent and higher through its Federal Agencies there can be no result except for continued higher interest rates for everyone. President Nixon's untimely signing of the Tax Bill and Secretary Romney's increasing the F.H.A. and V.A. rates to $8\frac{1}{2}$ percent only increases our path towards 10 percent money.

I would appreciate your views on what is being done and what will be done to halt this cycle for certainly the people's propensity to spend will have a limit.

Yours truly,

KEN MULLER.

M. C. HALL & SONS,

SANTA CRUZ, CALIF., January 5, 1970.

HON. WRIGHT PATMAN,
Washington, D.C.

DEAR MR. PATMAN: May I congratulate and praise you on the campaign you are mounting to ameliorate the interest rate on VA & F.H.A. loans.

Keep up the good work.

Sincerely,

M. C. HALL.

WOODLAND HILLS, CALIF.,

January 2, 1970.

HON. WRIGHT PATMAN,
Chairman, House Banking Committee,
Washington, D.C.

DEAR SIR: I am enclosing an article, which appeared in our daily Los Angeles Examiner paper, regarding the recent raise in interest rates on V.A. Loans. I am glad that someone is protesting this absurd move which is "supposed" to help curb inflation. Unfortunately it has hurt us to the extent that

I feel our government has just "kicked me in the teeth." To give a brief explanation of our feelings; my husband is a Veteran of the Korean Conflict and we have never used our V.A. Loan. This past year we have been diligently looking for a new home for our family. We felt that our present home is definitely too small for our present needs. My husband is a high school teacher so we had to find a home within our budget. After a year of searching we found our "dream home" at a price we could afford. We had many months ago signed the papers for our G.I. loan with the Lomas & Nettleton West Inc. of L.A. with the understanding it was to be at 7½ percent rate. Two days after our new home had gone into Escrow we heard the news that we would now have to pay 8½ percent which puts our house out of our price range. We were informed it would mean only \$26.00 a month more or \$320.00 a year more.

As you probably realize Sir, for a couple raising a family in this day twenty-six dollars a month can be "the straw that breaks the camel's back". We have had to give up any plans for a new home at this time and quite frankly the hopes for a better new year are gone.

This is the first time I have felt upset enough to write anyone in our Government but I feel that such an unjust and plain ridiculous move is going to "hurt" rather than "help" many people who want only to make a better life for themselves and help build a better community.

I would appreciate any information on whom I can write to, so that others may know how we feel and perhaps help to get this law revised. Thank you for your time in reading this letter. I so hope the future will be brighter than it looks right now.

Sincerely yours,

Mrs. HARVEY BENSON.

FHA, GI LOAN RATE HIKED TO 8.5 PERCENT

WASHINGTON.—A boost in the maximum interest rate on government-backed housing loans takes effect next Monday, but Rep. Wright Patman, D-Tex., said today he will press for an investigation and legislation to offset it.

Secretary of Housing George Romney announced Tuesday an increase from 7½ percent to 8½ percent in the interest ceiling on home loans insured by the Federal Housing Administration or guaranteed by the Veterans Administration.

Romney, said he was acting reluctantly, but that the increase was dictated by market conditions. Funds for housing loans have become increasingly scarce as general interest rates have risen above that figure.

Patman, chairman of the House Banking Committee and a longtime foe of high interest rates, called the increase "the height of irresponsibility."

"This administration, through its encouragement and acceptance of high interest rates, is developing federal housing programs only for the affluent," Patman said in a statement issued through his office.

"The administration is apparently intent on sending the home buyer out in the market to compete with the big corporations, the gambling casinos and fastback operators for available loan funds."

Patman said he will renew proposals to have the Federal Reserve System buy large blocks of housing mortgages at rates not above 6 percent. An amendment calling for such use of \$6 billion by the Federal Reserve was defeated before Congress adjourned.

But Patman said, "I am convinced the House would have approved this measure had the members realized that their constituents would be forced to pay a 9 percent interest rate in a few short days."

His mention of 9 percent referred to the FHA's insurance charge of one-half of 1 per-

cent in addition to the 8½ percent interest ceiling.

Patman said the Banking Committee also will give priority attention to proposals for a \$2 billion fund for direct federal lending, a national development bank modeled on the old Reconstruction Finance Corp., and legislation to encourage mortgage investment by pension funds.

The FHA-VA increase is the second within a year. The current 7½ percent ceiling became effective last Jan. 24.

TROY, MICH.,
January 2, 1970.

DEAR SIR: I have observed your actions and recommendations for some time now. I wish to express my appreciations for your concern for we poor voters. It is a very regrettable situation that we are deceived and mistreated without a cause. George Romney made a mess here in Michigan. Now, he is trying to make a mess in Washington. Such intellectual and reliable men as you is all we have to depend on. If you don't help us, the country shall be led into destruction, I fear. Please help us. I appeal to you with all my heart.

Respectfully yours,

WILLIAM G. POOL.

CINCINNATI, OHIO,
January 3, 1970.

HON. WRIGHT PATMAN,
Chairman, House Banking Committee.

DEAR MR. PATMAN: The new rise in interest rates for FHA Insured loans has now been taken up by local Building and Loans. This is a very big blow to the Real Estate Business from which thousands of citizens earn their living, and an extreme hardship for servicemen wanting homes and the general public in need of homes. Home ownership is an American heritage and should be protected as such.

Mr. Patman, the drastic need for investigation exists, not in the interest rates now being charge, but in the Point System approved by our government, and the closing costs charged by financial institutions. One Building and Loan told me the closing cost for a \$14,500 loan would be \$631.00. This was for a young ex-marine. No service worth over \$75 or less is being performed for this added \$631 closing cost. Could you call this blackmail? Each building and loan wants a different closing cost—the lowest being 2% of the loan. Why and for what service?

The Point System is the same sort of blackmail. By what right has a lending institution the privilege of raking off 10% or more of the price a seller gets for his home?

Mr. Patman what can be done to stop this? Is our Congress representing the American people and their rights, or must they pay for years because the money interests are being favored? I doubt this practice is really legal.

Please try to wipe out the point system and set a reasonable legal closing cost, and thereby get this country on the way to prosperity for the average citizen and taxpayer.

Sincerely yours,

Mrs. MABEL BLACKBURN.

CREDIT UNION INSURANCE AGENCY,
Baton Rouge, La., January 2, 1970.

HON. WRIGHT PATMAN,
House Office Building,
Washington, D.C.

DEAR MR. PATMAN: Newspaper reports indicate that you have undertaken an investigation of increasing interest rates since the advent of the new increase in rates on home mortgage loans.

It is to be hoped that you will also consider that the application of the "finders fee" or brokers fee is used in such a manner as to constitute an increase in interest. The excuse, in many instances, for this fee is said to be that those companies that feel that they are not fully compensated by prevailing in-

terest rates will be more willing to make money available if an advance cash payment is made. There may be some justification for this practice for loans made under free competition by lending institutions. However, when loans are guaranteed by the government this should attain to some value to the lender. Since his money carries the signature of the government, as it were, it would appear that there was less risk and consequently these loans should go at lower rates. There does prevail some argument that these loans are indeed lower in rate but to this must be added the advance fee that many companies charge. Consequently, it would clear the entire picture if lenders were required to charge only a bonafide interest rate and be required to dispense with those additional charges that are intended as advance payments to offset lower interest charges. There can be absolutely no justification for the practice of agents dealing in the buying and selling of loans to consumers. It goes against the grain to learn that a G.I., for instance, must, as a matter of fact, pay a cash premium for his government backed loan.

Whatever the policies of Congress, it is generally understood that our economy is subject to a degree of control by the application of interest rates and taxes. If I were permitted the choice I would say continue the tax and lower the interest rate. It is easier to see that some value may accrue from the tax but I fail to understand how the economy can be aided by high interest rates, especially when these rates are intended to apply in the areas of food, shelter or clothing. Surely, the home loan should receive special consideration.

Your attention here would certainly benefit many. It should go without saying that it would receive my genuine personal appreciation.

Very truly yours,

MORRIS McALLISTER.

FREMONT, CALIF.,
January 4, 1970.

DEAR SIR: We wish to extend our wholehearted support for your stand against the Nixon administration, regarding the 1% increase in government insured home loans, which was indeed the height of irresponsibility.

If there is anything we can do, please feel free to correspond.

Sincerely,

Mr. and Mrs. C. E. SMITH, Jr.

W. D. GRIFFITH & SON,
Macon, Ga., January 8, 1970.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN PATMAN: As a realtor and mortgage banker, I am heartily in accord with the plan you have advanced of having the Federal Reserve System buy home mortgages at no more than 6%. I am as outraged as you at the high interest rate and definitely believe that this usurious rate is brought about by the greed of big business and banks.

Thank you for your attention.

Very truly yours,

ARTHUR GRIFFITH, Jr.

RIVERSIDE, CALIF.,
January 2, 1970.

HON. WRIGHT PATMAN,
Chairman, House Banking Committee,
Washington, D.C.

DEAR SIR: In our local newspaper we read an article concerning an investigation of the new hike in home loan rates. This new hike has deeply distressed our family. We are truly middle class Americans who are now unable to afford a decent home of our own. Both my husband and I have been teaching for about 20 years because we enjoyed helping our youth. Last year we went to Greece

at one-fourth our salary to help out in the educational system there. We sold our home confidently sure that we could afford a slightly larger one to house our family when we returned. Now, in only one year, the house we were prepared to purchase has gone up 10,000 and interest from 2 to 3%.

While we were in Greece we all dreamed of the day we could return to our American way of life. In one year our way of life is definitely threatened. We are now wondering if perhaps we should have become money lenders rather than humanitarians. Please don't let this happen to middle Americans.

Sincerely,

Mrs. GEORGE LONDOS.

OAK PARK, ILL.,
January 6, 1970.

HON. WRIGHT PATMAN,
Chairman, House Banking Committee,
Washington, D.C.

DEAR SIR: Last year when you wanted to put a ceiling on interest rates, I meant to write and express my support for the maximum interest rate. Now, with Mr. Romney's proposed 8½% FHA and VA interest rates, I feel compelled to write and give my support to your opposition.

Your opposition to Mr. Romney's proposal gives me a spark of hope that there are still people in government who are not willing to take the easy cop out by appeasing the lobbyist; and, thereby, destroy the general public, as in this case.

I ask you, how can interest rates go down when large corporations continue to borrow large sums of money from banking institutions at ever increasing rates? I also ask, how can mortgage rates go down if the federal government puts its stamp of approval, so to speak, on this new subsidized rate?

A more realistic means of curbing rising interest rates is to reevaluate small, short-term loans such as automobile loans, credit card and bank card loans, charge accounts, etc. A mortgage loan for the majority of the populace is a life-time commitment; whereas, an automobile loan is for only three years. How can a young family or a retired couple on a fixed income see any hope in the future for a better way of life when they are burdened by the ever rising interest rates tied to mortgages and hidden in high rents?

I support your stand on this matter and hope you will not be swayed from it.

Very truly yours,

CHARLES E. ST. GEORGE.

ELMONT, N.Y.,
January 6, 1970.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

SIR: Although I realize that you are an extremely busy man, I sincerely hope that you will find time to give this letter your attention, and perhaps, be of some needed assistance.

Back in March, 1969, my husband and I signed a Contract to Purchase a new house with an FHA mortgage. At that time, the interest rate was a total of 8%. The house sold for \$24,000 and although my husband earns slightly over \$11,000, we were fortunate (?) in getting approval. The builder was hoping for a July 15th closing, then it was postponed until August. Thereafter, he hit innumerable delays with the county and other officials, and we were promised delivery for September—then October—then November—and finally, without fail, prior to Christmas. Then the local lighting company did not hook up the house as it was supposed to, and we were promised delivery would be the first week in January. Now it is hoped for the middle of this month, providing his attorney is back from vacation.

In the interim, the FHA announced last week that they were raising the interest rates to 9% total! How may I ask does a middle-class man afford those rates? We are not businessmen, organizations, company, or corporation. We have no children and we were just able to squeeze through with my working part time to be able to afford the 8% rate. The additional 1% means that we will have to pay almost \$17 more per month! This is completely unrealistic and outrageous? Maybe upper-class citizens and big business can afford these rates, but surely not the middle-man! Furthermore, we were prepared to buy back in July, and because of the delays beyond our control, I do not think it is warranted for us being penalized by this exorbitant increase. How can our dream of being a homeowner materialize what with the prices skyrocketing far beyond our pocketbook today, or tomorrow? We must go through with this deal because if we don't, I fear that we shall never see our dream come true.

Although you are an elected official from the State of Texas, and I am a resident of New York, I sincerely hope that you might be of some assistance to me since we are all Americans.

Last week I read in the New York Times that you were madder than heck about this latest increase (a total of 2% since President Nixon took office) and that you were preparing to ask Congress for an investigation of this exorbitant increase. I sincerely hope that you will be successful in your efforts. Someone must take up the cause of the middle-class citizen and see to it that he does not be put in a position of competing with corporations, etc. They may be able to afford 9%, but not the man on the street!

Good luck in your effort, and thank you for whatever assistance you can offer me.

Sincerely,

BEVERLY BAYNE.

AUSTIN, TEX.,
January 6, 1970.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR MR. PATMAN: You have my unqualified support for your House Bill No. 13939 directing the Federal Reserve Board to purchase FNMA obligations, and any other measures that you can think of that would stem the unconscionable rise in interest rates.

For your information, the discount on an 8½% government backed GI or FHA loans was being quoted at from 5 to 5½ points in Austin today. Mortgage company representatives predict that they will be higher.

Congress must do something to get interest rates at a level where a willing home owner can afford to buy.

Keep up the good work.

Sincerely,

SIDNEY S. SMITH.

DETROIT, MICH.,
January 4, 1970.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR MR. PATMAN: You are quoted in an Associated Press story, release date, Tuesday, January 6th, as saying, "This administration, through its encouragement and acceptance of high interest rates, is developing Federal housing programs only for the affluent." This is a referral to George Romney's recent lifting of the ceiling on interest rates to eight-and-a-half per cent. You call it nine per cent.

Undoubtedly, the average man straddled with a mortgage, or those yearning for a home, just do not comprehend the workings of bankers, mortgage rates, and points. They are victims.

Romney is quoted in the story as saying he "hopes bankers will now lower the dis-

count rates, or points they charge for mortgage loans." Now, you know full well this is just not going to happen.

You are going to investigate, the story says, and you call it the "height of irresponsibility" and you are going to come up with legislation to offset the rise. It's high time. I wonder where you've been the past decade during which the cost of money to buy a house has gone up nine times!

Perhaps, you can't do much with George Romney, except react. I hope your reaction is to the benefit of the citizens of the country . . . and not the lending institutions now impersonalized by computers.

Forlornly,

LOUIS J. MILLER.

PHOENIX, ARIZ.,
January 3, 1970.

DEAR MR. PATMAN: For the second time since May of 1968, the government has raised the interest rates after I had already purchased a house. Both times I will have had to pay more than I had anticipated. I anticipated, over the next thirty years, this will increase the cost of my house by some \$6,000. I realize this amount is not great to members of Congress. After all it just voted itself about a \$12,000 raise to just show up, three days a week about 6 months a year and then not do anything while they are in session. I have heard that because Congress couldn't be bothered about passing the appropriations bills, it cost the taxpayer about 4 billion dollars. If that figure was cut in half and had not been taken out of the money market by the government, some 2 billion dollars would have been available for other uses. If only 1 billion dollars of this foul up had gone to the Housing market some 40,000 houses or over 2½% of the estimated 1969 housing starts could have been financed. What does Congress do to deserve \$42,500 a year?

This increase in interest rates is going to stop many families from purchasing a house. Buying a house is usually cheaper than renting an apartment. But there is no income limitation on renting. All you have to do is pay—with an increase each year. If I had to rent in Phoenix, it would cost about \$300 a month for a nice apartment. Yet a house would only cost about \$200 a month if you could qualify for a loan. Now the government is going to decrease new housing and increase indirectly the cost of renting due to a higher demand. Most areas have a 0% vacancy rate now and with fewer housing starts almost all areas will not have housing available. Will the U.S. turn into a Russian housing market—only 1 or 2 rooms per family. It appears that this is governmental policy.

The policy of both Presidents Johnson and Nixon is to allow or raise interest rates to levels which in my opinion are usury in effect. What kind of policy is this advocacy of usury by the government. School bonds, State governments can't borrow long-term money to take care of their people.

I have disagreed with some of your positions concerning banking institutions, but I wholeheartedly support your stand against the interest increase. I think it's wrong and immoral. I think in the long run it will be very harmful to the United States.

I also think Congress could do more to reduce inflation than it has. If it would use some restraint in spending, which it never has, and then force President Nixon to reduce the budget, inflation can be controlled. But for the Executive to reduce the budget and for Congress to spend money as if they made it themselves will never work.

Sincerely,

STEVEN C. JOHNSON.

PROSPECT HEIGHTS, ILL.,
January 4, 1970.

REPRESENTATIVE WRIGHT PATMAN: Due to a company transfer, I am in the process of buy-

ing a house in Dallas, with a F.H.A. insured loan.

I thought I was buying it at $7\frac{1}{2}\%$ interest, but it now turns out to be $8\frac{1}{2}\%$.

We urge you to contest this inflationary increase of home interest rates which makes it very difficult for a working man to buy and pay for a house. At least it appears that we should be able to purchase it at the interest rate which was current when the loan was applied for it seems.

Your respectful servant,
BILL TOWNSEND.

TURNER CORP.,

Tulsa, Okla., January 6, 1970.

HON. WRIGHT PATMAN,
Chairman, House Banking Committee, Washington, D.C.

DEAR CONGRESSMAN PATMAN: You are correct! The interest rate hike in FHA-VA loans of $8\frac{1}{2}\%$ is the "height of irresponsibility".

I hope your investigation will be successful in curtailing spiraling interest rates. Such increases only serve to stimulate inflationary fires as you know quite well.

The FNMA prices announced yesterday for residential loans are reported at 95.34 less P & M fee and stock purchase requirements. Thus, the net price is lowered on the first offering to this dastardly low figure.

Let us compare the same pricing formula of FNMA as of November 18, 1969, at the $7\frac{1}{2}\%$ rate then existing. The price then reported was 95.26 less the same fees of above. This is a 90-day weighted average price.

So, it appears the increase in the rate has not produced the intended results in a period covering only 46 days with the higher rate of $8\frac{1}{2}\%$.

Thank you for trying to do something.

Sincerely yours,
SEQUOYAH A. PERRY,
President.

SPRINGFIELD, Mo.
January 6, 1970.

Re: Home loan relief.
HON. WRIGHT PATMAN,
Chairman, House Banking Committee, Washington, D.C.

DEAR CONGRESSMAN PATMAN: It was indeed encouraging to read in the news yesterday that you were planning legislation along the lines of the old H.O.L.C. which came to the aid of thousands of home owners that were on the verge of losing their homes to mortgage holders.

It does not take a genius to detect that we are being herded down that same lane again with Government guarantees now at 8.5 percent and the going figure standing around 10 percent.

The Nixon administration seems reluctant to do anything but put the brakes on the money and tighten the noose until the patient is pronounced immobile and groggy.

I suggest we let the Bankers, mortgage companies and short loan companies continue with their easy credit loans for the usual consumer merchandise.

When it comes to Housing for the masses of our low and middle income families we certainly must have direct Government loans at pre war levels for all of our City and Rural one family units.

These loans should not be available to promoters or any other individual that can qualify for a home in excess of a price range say around \$35,000.

The day such relief becomes a reality you will immediately see the home building business get back on its feet and the people who are being trapped in Mobile Homes, which are nothing more than Ghettos, will thank all who made their freedom possible.

For your information: I am not an applicant for any home loan. I am a retired home builder and I can see the evils being caused by denying our people the right of home ownership. The highrise and the Mobilehome will only aid delinquency.

Sincerely yours,
J. E. HOLLIDAY.

SPRING, TEX.
January 6, 1970.

HON. WRIGHT PATMAN,
House Banking Committee,
Washington, D.C.

DEAR REPRESENTATIVE PATMAN: I am writing to let you know my feelings concerning the increase of the FHA and VA interest rates. It is my understanding that you are protesting the increase of these rates. The situation in our family may lend support to your opposition of this inflationary step taken by Mr. Romney and the Nixon Administration.

My husband was transferred by his company in the early Fall of this year from Oklahoma City to Houston, Texas. We owned a four bedroom home in Oklahoma City of price under \$20,000.00. Our payments were \$148.00 per month with loan at 6% interest. In looking at houses in Houston we could find nothing comparable, especially in a four bedroom home. I might explain that my husband has his office at home, adding this fact to our having children of both sexes, a four bedroom home is no luxury for us. We found we were going to be very fortunate to find a home in a desirable area with four bedrooms for anything under \$30,000.00.

We did find a builder in a new area who could build a four bedroom house for less than \$30,000.00. He also would honor a VA loan, which my husband had never needed until this time. We made our decision to apply for the VA loan and pay down \$300.00 and sign a contract to purchase this particular house, with VA loan interest at $7\frac{1}{2}\%$. We moved our family into an apartment, even though at great inconvenience, in order to be able to purchase a house comparable to the one we had and be able to get a 7% loan. Our VA loan was approved the 19th of December, 1969. The house was begun the following Monday. We were dismayed to hear the announcement of the increase of the percentage of interest on the loan. We felt certain we would receive the $7\frac{1}{2}\%$ rate inasmuch as our loan had been approved prior to the interest hike. The VA Houston office advised us to the contrary.

Our situation at this time is we find we are obligated now to buy a house we cannot really afford since the interest is hiked. Is there no way the person struggling to stay current can do so? People like us who are subject to transfer are finding that we are going backward instead of forward. We cannot hold onto the homes and low interest rates we once had. To keep our jobs and try to improve ourselves we accept moves only to find we are penalized because of high interest rates.

I might also add that we hesitate to put down \$5,000 or \$7,000 or \$10,000 dollars in a house as we always have to ask ourselves, "Will we be able to sell it in 2 or 5 or 7 years when we are again transferred?" Our company does not buy houses when they move their employees.

A commercial loan (conventional) on a house will guarantee the rate of interest when one first applies for it providing the house is finished and the loan closed within six months. Why is this not the case with VA and FHA?

We are following with interest your proposal of a National Development Bank. Someone has to lend a hand to the poor fellow who is just trying to keep his head above water.

Thank you for your attention.

Sincerely,
MRS. WILLIAM WOLLENHAUPT.

A footnote: Though I am a trained teacher, I have never joined the labor market as I feel my services are more valuable at home, supervising my children. Our young people need more mothers to stay home and know what they are doing.

REPRESENTATIVE PATMAN: Everytime I read about you in the newspaper, my admiration grows.

I do hope you will continue your efforts to protect the public from the banking industry.

We are in the process of obtaining an FHA loan. Since we already had to agree to pay \$1,500 more than the original price in order for the seller to pay the eight points now demanded on a loan, you can imagine our dismay when the FHA rate was raised to $8\frac{1}{2}\%$ percent.

We expect to pay an investor a fair return for the use of his money, but we very much resent being subjected to usury in order to buy a necessity, a decent home for our family.

Many of the middle-income group feel that expecting our elected representatives to defend us against wealthy special interests is an exercise in futility. You seem to be an exception, an honest and courageous man.

Being a California resident, I regret that I cannot express my gratitude at the polls, but I want you to know that your efforts are very much appreciated.

Mrs. CAROLE GREENE.

STEPHENVILLE, TEX.,
January 7, 1970.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR MR. PATMAN: The writer is quite concerned with interest rates. In my section of the country, especially the older people have a large percentage of their money in banks and Savings & Loan Associations drawing 4 and 5 percent. When the borrower borrows it, he pays 8 and 10 percent. I would like an expression from you as to why these two cannot be drawn closer together.

I am aware that the banking industry is a "hard gang" to do anything with more especially when the are getting "fat" as they seem to be doing now.

My banker tells me that the rate on savings is fixed by law, but the lending rates seem "hog-wild."

May I please hear from you?

Sincerely,

O. V. KING.

NORTH HOLLYWOOD, CALIF.

DEAR WRIGHT PATMAN: I'm trying to help in my small way. Here is my latest effort. Keep up the good work.

You are a rare bird in high places.

Sincerely,

HASKELL H. GLENN.

JANUARY 7, 1970.

HON. GEORGE ROMNEY,
Secretary, Housing and Urban Development,
Washington, D.C.

DEAR MR. ROMNEY: In case you think I'm a Democrat or some kind of crank, you should know that I contributed a very small amount of cash to your campaign even before you declared to run for President.

I thought that any man who grew from childhood the way you did and the success you made in business plus your bright and personable wife, would make an excellent leader of our country.

Your recent quote, "We are in the midst of the most severe housing shortage since World War II, because of lack of mortgage money . . ." etc. . . etc. . . appalled me and many of my associates.

We all know that Vietnam is the reason that there is no money around for anything constructive. There seems to be plenty for destruction, though.

The small home buyer who is now going to pay approximately \$200.00 P/I & P/I on a \$20,000.00 loan to buy a 3 bedroom, 1 bath house is priced out of the market.

How many G.I.'s are going to qualify for such a loan at $8\frac{1}{2}\%$? How many non G.I.'s can qualify for this same house under F.H.A. terms at $8\frac{1}{2}\%$ plus $\frac{1}{2}\%$? The answer is maybe 1 out of 100, and that 1 family

wouldn't be satisfied to live in a \$20,000.00 home.

You are quoted as saying that you signed the bill, "with great reluctance."

Mr. Romney, we expect more of men such as yourself. If you had stood your ground and said, "When I returned from my visit to Vietnam before the last election and talked of brain-washing and was severely criticized and even ridiculed; I should never have retracted."

"Now I am more convinced than ever, that if we are to win back our country and build a good society for our youth, revive building of homes, hospitals, schools and all those domestic needs that we must have to give our people including the slum dwellers, the will to live, we must end the Vietnam debacle today! Then if we use only 1/4 of our former military outlay for domestic needs, we could reduce taxes, eliminate the excise tax, and allow the economy to free-wheel. Mr. Romney, if you would stand up on your hind legs and it cost you your job, you might not be our next President, but you would be in 'Profiles of Courage.'"

That's what we expect of men like you and Finch. You are the kind of men that can give the youth of the land and the world the kind of future to which they are entitled.

If you watch the "points" situation in our present home financing situation, you will note that they usually drop after every interest raise and then return stealthily in the night back to where they were. "Points" are an out and out gouge on the part of the greedy banking establishment and are absolutely unjustified, hurts the little man irreparably and are inflationary for many reasons.

We are now asking sellers of G.I. and F.H.A. homes to pay 9 "points." Do you know that just today I was offered a loan of \$16,800.00 on a \$23,900.00 sales price by a Savings and Loan at 9 1/2 % and they want 3 1/2 points plus \$50.

How does this help the small home buyer?

How does this stem inflation?

How does this help the unemployed?

How does this help the construction business (the backbone of America's economy)?

Here are some direct quotes from the L.A. Times of January 2, 1970:

Mr. Art Neelley, loan officer at California Federal S/L Assn., said, "the increase won't improve the mortgage situation much. We just don't have the money to loan no matter what the ceiling. I think the long range effect will be to push up interest rates on conventional loans."

Mr. Louis Barba, acting president of the Nat'l Ass'n of Home Builders, termed the increase "regrettable" and called on President Nixon to initiate credit controls. Most home-builders contend that spiraling interest rates have pushed the cost of homes beyond the reach of most buyers. (My emphasis.) The G.I. buyer will be completely out of the market, not for just the present, but for years and years to come.

I admit that if I were in your position, subject to all the strains and stresses of public office, I, too, could not please all the people all the time; therefore, be it understood that you have to do what you have to do for the majority, not the few. Here are a few possibilities:

1. The country should set aside under your department a huge fund of 6% money for the exclusive purpose of financing housing of all kinds under \$20,000.00 per family. This would include mobile homes, single and multiple dwellings, urban & country, living and recreation.

This fund should be limitless so long as the supervision as to where it is used is rigid. In other words, the limit should be when every family in America is in a good clean home, housed by a family that can afford to pay the overhead, send their children to schools as far as their brains and will propels

them, enjoy a few weeks vacation annually and generally live the good life.

2. We here in California have what we call the state financed Cal-Vet Loan for veterans who have either resident-enlisted in California or who were born in California.

The maximum Cal-Vet Loan is \$20,000.00 and the present interest rate is 4 1/4 %. The only thing wrong with the picture is there are no funds. When and if they get new funding, the waiting list is so long that those who applied a year ago will just be getting their application.

My suggestion is that every state should have such a plan to reward their native sons and the Federal Gov't should provide such funds on some kind of equitable arrangement with the State's doing the administering. All political consideration should be eliminated; and thus the money made available by the unlimited reservoir mentioned above would be a way of the entire nation rewarding veterans.

Is the above plan too simple to work?

Is the above plan too devoid of political hanky panky to go into effect now instead of awaiting a Democratic President or a Republican Congress and/or Senate?

In my opinion, if this bill were properly, simply drawn by your agency, No President or Legislative body would dare to defeat it.

Respectfully,

HASKELL H. GLENN.

PAPILLION, NEBR.,

January 7, 1970.

Mr. GEORGE ROMNEY,
Department of Housing and Urban Development,
Washington, D.C.

DEAR SIR: I was utterly dismayed to learn that you have raised the interest rate on FHA and VA backed mortgages from 7 1/2 to 8 1/2 per cent.

The cost of living continues to sky-rocket, with the cost of housing increasing about 8 per cent per year—and you further aggravate the situation by raising the cost of money to buy houses already inflationary priced. Your action causes one to question the sincerity of the administration's concern in stemming inflation.

The building industry, savings and loan associations, certain members of Congress, and all persons who must now either terminate plans to buy a new house or resign themselves to the fact that this action will result in a substantial increase in payments, are opposed to the increase.

It appears to me that less people are now going to qualify for FHA or VA support and that the only ones who might benefit from the increase are investors. The consumer (in this case the house buyer) again has been disregarded by those who should be concerned with his welfare.

I urge you to consider the plight of the consumer and reverse your decision to raise interest rates. I would appreciate a response.

Sincerely,

W. G. WOMACK.

LAWNDALE ESCROW CO.,

Lawndale, Calif., January 8, 1970.

HON. WRIGHT PATMAN,
Washington, D.C.

DEAR SIR: Enclosed is a copy of a letter we have addressed to Honorable George Romney which we feel deserves serious consideration from your office as to the problems involved.

Sincerely,

H. M. SHERMAN,
President.

LAWNDALE ESCROW CO.,

Lawndale, Calif., January 8, 1970.

HON. GEORGE ROMNEY,
Washington, D.C.

DEAR SIR: This is a letter of strong protest about the effect of the tight money that now

exists and which has been recently pyramided by the 1% increase in interest on FHA and VA loans.

I am speaking from 15 years experience in Los Angeles County in the Escrow business, packaging and presenting these loans through our good lenders to VA and FHA with never a question as to accuracy of information upon which a good credit analysis could be reached, or any inaccurate or false information presented. And this covers over 8,000 loans during that period.

At the ground floor, I know what the urgent need is for reasonable housing which has been increasingly more difficult to achieve for the average buyer.

Before the 1% increase in interest rate, we have been looking at 8 1/2 to 9 1/2 points to the seller, representing a discount to attract loan funds. This has driven many potential sellers out of the market—for instance, a \$20,000.00 sale at 9 points (\$1,800.00) in points, 6% Real Estate commission, prepayment bonus on the existing loan, title and escrow costs results in a cost to the seller of around \$3,800.00 and many owners just do not have that much equity. So these homes are no longer on the market.

Knowing that from a yield basis for each 1/4 % increase in interest rate the points should drop by 2; you may have expected the points to go to 1 1/2 to 3—but what is the result on January 5th? 5 to 6 points! And 7 1/2 % loans are looking at 13 to 15 points—these deals being made in good faith, but which the lender cannot close—and you should be able to imagine the utter confusion and bitter resentment which this situation creates.

Federal National Mortgage Association had allocated on January 5th \$120,000,000.00 and they received bids of more than \$700,000,000.00.

The answer is a need for money in the mortgage market.

Five years ago, the insurance companies were creating a market for these loans. They are no longer attracted to residential financing of any sort—all stemming from the original increase to 7 1/2 % of the prime interest rate. Their money is going in to high rise, shopping centers etc., with a piece of the action or on a partnership basis. And theoretically you can't blame them with the Government offering over 8% in treasury notes and Triple A bonds going at over 9% yield.

Today FNMA is almost the only source for this type of loan financing, for all lenders are looking for the best yield. So today we have this situation:

1. Rentals are at an increasingly high cost and the vacancy factor is practically nil and rents are bound to increase.

2. Sellers with reasonable equity cannot afford to sell.

3. Buyers find it difficult to qualify for the loan required. For instance: a sale at \$20,000.00 plus \$40.00 a month for taxes and insurance creates payments of \$200.00 a month, which means the buyer should be making \$800.00 per month clear. We doubt if VA or FHA will relax their credit requirements for this boy to qualify.

4. Banks and Savings and Loan Associations remain at 4% to 5% interest paid to depositors, but are now charging from 9 to 10% and up to 18% for loans. Those few that have loan funds available are getting rich, but most lenders are out of funds, and if not, they will be after the reinvestment period through January 10th, because of perhaps Treasury notes at 8% interest. Do you not think this could have tragic results to these institutions? And to our overall economy?

Thanks to your economic advisers, who cannot see the forest because of the trees, we are at an all time high inflationary period. It is almost impossible to go back, but at least there can be no good reason for this spiral to continue. Why not:

1. Propose legislation prohibiting any in-

stitutional lender from participating in the action or becoming a limited partner, as a condition for making a loan.

2. Roll back the prime interest rate charged by banks. Use persuasion to keep their rates down.

3. Bring pressure to bear upon unions, merchandisers and governmental agencies, including school districts, to resist pressure for spiraling wage increases.

4. Provide adequate money to FNMA to keep the points at a reasonable level so that deserving people can buy homes, which so many people desperately need.

If not, I certainly can see no alternative except wage and price controls, for we are now at a most dangerous level.

Sincerely,

H. M. SHERMAN,
President.

FREMONT, CALIF.,
January 6, 1970.

DEAR MR. PATMAN: Many are uplight, most upset and distraught over this recent increase in interest rate from $7\frac{1}{2}$ to $8\frac{1}{2}$ %. The government is yielding to the demands of the lending institutions. This increase is a great injustice to the general public. Housing is a vital necessity of life, therefore the public is forced to pay any rate set or live in the street. Likewise when rents are increased a tenant must pay or go in the street. This high interest has forced rents up as much as 50% in just the past three years and rents are still going up. As it is now people cannot qualify for new home loans and building has come to a standstill. Housing is critical. How is this interest increase that is being applied to a vital necessity of life going to hold down inflation? The public is forced to pay whatever is asked, they don't have the choice of just cutting down. It should be illegal. This is worse than a monopoly.

The real inflation is developing with credit being extended for new cars, boats, TVs, and all the non-essential credit card purchases. This has been a banner year for the merchants and the credit card business.

Even with this increase in F.H.A. mortgage interest rates the banks will continue to hoard their deposits for the higher paying commercial loans and credit card business. This pays them a yield of 18% from the consumer plus another 4% from the merchant. Why should they tie their funds up with long term real estate loans? As long as F.N.M.A. will buy the loans the banks care less about tying up their funds. However they enjoy collecting the origination fees of 1% and the servicing fees when they originate the loans that are subsequently sold to F.N.M.A.

A solution.

If the government really wants to attract more funds into real estate and stop the inflation then *why not increase the allowable rate of interest that the banks and savings and loans companies are permitted to pay the depositors.* Let the public that has the money share in the profits and they will be inclined to *save rather than spend.*

Another item that is stifling the supply and construction of housing is the excessive, confiscatory property taxes and capital gains taxes. Specifically the recapture of depreciation as ordinary income taxes. The investors profit is being choked to a nil. The economy is now at the breaking point, revolt is developing and a back-fire of stagnation and building recession is taking over.

Rent subsidies and low interest supplement programs aren't the answer. It only makes higher taxes but what is worse it is causing those that might be willing to make it on their own to stop trying and become goldbrickers. Why make it financially better for one to stay in the lower income bracket so Big Uncle can dole it out. The man's pride is stifled and incentive is taken away.

Many honest and conscientious Americans want the chance to buy their own home or pay their own way in a fair and just rental market. There are still many investors that are willing to invest in multi-rental buildings, if the profits weren't being choked down so low. The costs of materials, labor, and land are all relative to supply and demand. The unions help to keep the purchasing power in balance with living costs and housing is a living cost. However, property taxes and interest rates are not relative, they are the unbalancing forces that has brought about the present housing shortage and inflated rents. What investor will build or invest in a large multi-rental building if all the profits and equity is lost to taxes and interest? The only way the investor can invest or build is to increase the rents.

The person that would normally buy can no longer qualify for the loans so he is forced to pay the higher rent. On goes the inflation. How is higher interest rates and greater taxes going to keep rents down? This is inflation in its worse sense because it is hitting the public with an increased cost of living that is a vital necessity and one that the public is forced to pay even if it takes their full pay check.

Another solution.

Stocks and bonds are sold on the open market. *Why not create an exchange through which F.H.A. and V.A. insured mortgages can be bought and sold on the open market?* At present F.N.M.A. is set up to buy and sell mortgages from only the lending institutions. Why not let the general public in on some of these high interest yielding mortgages?

If one deposits money with the bank the highest interest he can receive is 5%. With these deposits the bank makes additional commercial loans which only furthers inflation. Many that are not satisfied with this 5% interest because of the 6 or 7% inflation are forced to spend the money for things they really do not need. Some will buy over-priced real estate hoping to beat the inflation. Others buy over-priced stocks, thereby augmenting the inflation even more.

Why not have F.N.M.A. serve as a clearing or exchange center to buy and sell a mortgage from the general public as bonds and stocks are sold? Also trust funds and pension plans should be allowed to buy these mortgages that have government guarantees.

Wouldn't it make sense for a widow with some \$25,000.00 or more that she just received from an insurance claim to buy an existing mortgage like she can buy bonds or stocks? She could have a regular monthly income from the payments and receive maximum interest returns. With F.N.M.A.'s guarantee to repurchase this mortgage then she could have liquidity in case of an emergency, with no risk as the loan is guaranteed by F.H.A. or V.A.

No longer would people be forced to buy inflated stocks that are a risky investment that might take a nose-dive overnight, or buy real estate they don't need or care to manage as a hedge against inflation. Why shouldn't a private party be privileged to invest in a mortgage that has an F.H.A. or V.A. guarantee? Why does one have to give his money to a lending institution or bank at 5% only for the bank to put it back out on commercial loans at 18 to 24% returns? The mortgage loan institutions claim that $8\frac{1}{2}$ % interest isn't enough. They refuse to make real estate loans unless the loan has been discounted 5, 6, or even 9 points.

Still another solution.

Instead of increasing the interest rates *why not make the interest earned on residential mortgages income tax free?* The homeowner is allowed to deduct his interest paid. Why not allow the lender to earn interest from mortgages without having to

pay an income tax? This would attract money into the housing market and without increasing the taxes; nor would it stifle the individuals incentive and pride with greater doles or subsidies.

Also by funneling larger amounts of money directly into mortgages it will reduce deposits that banks are now using for commercial and credit card loans which only create a greater inflation. A check on credit card buying will show that it is running rampant.

If the mortgage money supply were increased and the interests and taxes were reduced, building would get a real shot in the arm and this critical housing shortage would start diminishing. If interest and taxes are not lowered the housing shortage will continue to get worse, and rents will soar higher. People just cannot qualify for home loans and pay this high interest and the increased income and property taxes. They are being forced to rent and pay whatever is demanded. On goes the inflation. Higher interest and taxes on real estate just is not the answer. Like previously mentioned this is a must item in the cost of living and the public is forced to pay regardless what is asked or move into the cold. If the present policies are continued the government will be forced to increase the rent subsidies and low interest supplements to an even larger portion of goldbrickers.

Solutions again are:

(1). Increase the amount of interest a bank or lending institution is permitted to pay the depositor.

(2). Create an exchange or allow F.N.M.A. to buy and sell F.H.A. and V.A. insured mortgages on the open market, as stocks and bonds are sold.

(3). Allow interest earned from mortgage loans to be income tax free.

None of the solutions will increase taxes nor will a man's pride be stifled and his incentive be taken away.

My thoughts to make the world a better place to live in.

Sincerely,

E. K. LANE.

MORTGAGE OUTLOOK AND NEWS

The recent increase in the FHA-VA interest rate is not going to be reflected in substantially lower points for very long.

The simplest explanation is that the demand for money for housing is very strong. There are no sources except FNMA. Consequently, when the rate changed every builder, mortgage company and bank in the country bid for FNMA low point money. FNMA adjusted 7 points for the 1% interest rate change making the $10\frac{1}{4}$ bid of the previous week $3\frac{1}{4}$ points. The problem this week was that many bidders wanted to be sure of winning some money so that they could stay in business. They bid 5 to 6 points and forced the average price on the 180-day money to $5\frac{1}{4}$ points.

The consensus of opinion in the industry today is that to win a bid at next week's auction a mortgage company will have to bid 6 to 7 points.

RECOMMENDATIONS

1. Take listings for no less than 7 points to be pretty well protected.
2. Call for a point quote before writing a contract.

3. Write contracts even with the $8\frac{1}{2}$ interest at $5\frac{1}{2}$ to 7 points today.

The rapidity with which the discounts have rebounded upward was as big a shock to us as it is to you. The thing we must remember however is that housing demand is very strong. Regardless of the points and regardless of the interest rate FHA & VA loans can be put together. We have been told by one source close to FHA that they are going to ease their qualifying requirements somewhat due to the higher payments.

You already have quite a few listings at the higher points, so let's write some FHA & VA deals and make 1970 a prosperous year for all!

FAYETTEVILLE, ARK.,
January 6, 1970.

Congressman WRIGHT PATMAN,
House Office Building,
Washington, D.C.

DEAR MR. PATMAN: I agree with you that the latest increase in interest rates on FHA and VA home loans is uncalled for. It appears that certain officials in Washington are acting not in the best interest of the people and should be called to task for it.

I wish you the best of luck in rolling back this latest increase (and even more) in interest rates and am confident you have the support of the vast majority of the people in this area.

Sincerely yours,

SAM H. TAYLOR.

MEMPHIS, TENN.,
January 7, 1970.

HON. WRIGHT PATMAN,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PATMAN: The recent raise in the FHA & VA interest rates are as you said in the press totally unnecessary. With 7½% interest (8% on FHA) sales were scarce and the discount for placing the loan was 7½%. As you can see very little profit for the builder, but at least a little bit of business was being done. Of course the reason for the poor sales was that due to high interest the notes were too high. I never have understood where Mr. Romney gets his information, perhaps from David Rockefeller as does Mr. Nixon. It's wrong, and it does not stop inflation. Mr. Romney said it would place more money in the hands of builders, there was money available if the builder would pay the high discount. The raise in interest only lowers the discount to 4½%, and by spring it will creep back up at it has always done.

Still, Mr. Patman, the congress does nothing about it. The money lenders continue to drain the economy, inflation continues unabated, but it is still allowed to go on. The only thing that will curb inflation is controls. It takes a year for the building industry to recover from one of these fiascos. Now is the time for something to be done. The congress must pass a law limiting the rate of interest, and limiting discounts on real estate. Then with controls on commodities and the money lenders in check some type of stability will be possible, and most of this unrest will disappear. In the final analysis it is all economic, when a man's salary is dissipated through high prices caused by high interest, he is bound to feel insecure, unhappy and less able to cope with the disciplines that our democratic way of life demands.

You, Mr. Patman, are always in the forefront of this fight against inflation caused by high interest. Mr. Sparkman and Mr. Proxmire have spoken up on it in the senate. Yet nothing is done in the way of a law limiting interest. Yours is a statesmanlike approach, Mr. Patman. We need some action, a good law.

Sincerely yours,

A. R. LEVITCH.

NEW YORK, N.Y.,
January 12, 1970.

HON. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

MY DISTINGUISHED MR. CHAIRMAN: Thank you for your interest and concern in the boost on maximum interest rates FHA mortgages and government backed housing loans

with respect to increase from 7½ to 8½ percent.

With every respect, very truly yours,
HANNIBAL D. WOODWARD.

ROWLAND HEIGHTS, CALIF.,
January 7, 1970.

Congressman WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

In October 1969, I applied for and was given a loan to purchase a home under the VA regulations, the interest rate was then 7½%. Our loan number is 109682; this loan was approved at 7½% interest, but because the home we purchased is part of a subdivision, the escrow could not close until the entire subdivision is completed (according to VA regulations, or so the builder says), which will be sometime this month.

Our loan was approved by the VA and the lending agency made a commitment at 7½% interest prior to 1/5/70. We took possession of our home on 1/2/70, signed our final VA papers and gave our \$8,000 down payment as we agreed to do when we signed our original purchase agreement. Now we are told by the builder, that we must pay the 8½% interest rate which went into effect on 1/5/70, because the subdivision is not entirely completed and cannot be recorded until it is completed probably late this month.

We feel that having this 8½% interest rate imposed upon us, after our loan commitment was agreed to at 7½% and finalized before 1/5/70 is a great injustice. I am writing to you because I have read and heard that you would be interested in knowing what is going on. Couldn't the VA make exceptions in a case as this? Penalizing the buyer because the builder cannot record until the entire subdivision is completed is grossly unfair.

May we please hear from you on this matter. Anything you can do for us, and others in this position, will be greatly appreciated.

MR. and MRS. LYNN SHERIDAN.

FULLERTON, CALIF.,
January 7, 1970.

Congressman WRIGHT PATMAN,
House of Representatives,
Washington, D.C.:

As a future homebuyer and an ex-GI, I would appreciate any action that you can get in lowering the present 8½% interest rate. As a family man with four small children, the way the interest keeps going up on homes, I will never be able to afford a home.

I am writing to you because I understand that you are very much in favor of lowering the interest rates and I want you to know that your efforts are greatly appreciated.

HENRY T. LYNN.

CHICAGO, ILL.,
January 5, 1970.

Representative WRIGHT PATMAN,
Chairman, House Banking Committee,
Washington, D.C.

DEAR REPRESENTATIVE PATMAN: Congratulations! I think you are the only voice left to protest effectively for those struggling to purchase a home against ever increasing odds.

With our full support for your forthcoming investigation, we will endeavor to maintain a hopeful, but somewhat strained hopeful, approach towards these burdensome FHA and VA interest rates.

Once again, good luck.

Very truly yours,

EDWARD AND BARBARA HRDLICKA.

P.S.—Even though we are both employed—Ed as an auditor and I as a legal secretary—we are still overwhelmed with high taxes and soaring interest rates.

CHINA GROVE, N.C.,
January 1, 1970.

HON. WRIGHT PATMAN,
House Office Building,
Washington, D.C.

DEAR MR. PATMAN: You are a busy man, I'm sure, with your district work and committee assignments. But when the paper this morning gave me the news of the home interest rate increase I just couldn't refrain from letting you know how one citizen feels.

According to the news you are doing what you can to help the situation—But it appears to me that the people generally in Washington are so wrapped up in great plans and schemes and rhetoric that the feelings and needs of the individual is lost in the process.

Talk about inflation—who in the world can buy a \$20,000 home and pay 50 to 60 thousand total before he owns it. Not any working man like myself!

I have 6 growing children and need to build a home, but with keeping these children in school, taxes, etc.—how can I pay 9% interest on a home for 20–30 years? This is economics pure and simple—It just can't be done! Not on the wages of an ordinary working man.

Something has to be done and I feel you will do what you can to get Congress and the Administration to see that unless this trend is reversed this Country is headed for disaster.

Sincerely,

H. M. REDMOND.

GAO STUDY BACKS UNIFORM COST ACCOUNTING ON FEDERAL CONTRACTS

The SPEAKER pro tempore (Mr. MADDEN). Under a previous order of the House the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

MR. GONZALEZ. Mr. Speaker, in 1968 I introduced an amendment to the Defense Production Act along with Chairman WRIGHT PATMAN that would have required all defense contractors to conform to uniform cost accounting standards to be developed by the General Accounting Office—the congressional watchdog agency. Congress, unfortunately, passed a milder version of the bill, calling for a feasibility study of the uniform cost accounting concept.

The GAO has sent Congress the results of its study—a bulky three-volume report calling for uniform cost accounting on Federal contracts and stressing that such a system could save the Government substantial amounts of money every year. It would affect 90 percent of all Government buying—\$45.9 billion a year in goods and services.

It is a complete and total vindication of my belief that uniform cost accounting was not only feasible, but essential to the Government. Not only does the GAO agree with me, but four out of the five professional accounting organizations asked about this said that it was possible and desirable. The bill I introduced would have just applied to defense contracting—but the GAO says it should cover all Government agencies.

This will save hundreds of millions every year. Adm. Hyman Rickover told me that such a system could save \$3 billion a year—and I believe it.

Under the present system, 90 percent of all Government buying is by negotiated contracts. We have no way on earth

of knowing exactly what the costs of contractors are—they all use different systems. We just pay the bills. The Government now has no way of comparing the efficiency of one contractor against another, no way of knowing when it is being gouged or cheated. Uniform cost accounting would change all of that.

If my bill had been adopted 2 years ago, the system would already be in effect and we would have already saved several billion dollars. As it is, we are now going to have to pass a new law to create the system. I plan to introduce immediately a bill to require that a uniform cost accounting system be devised and applied to all Government contracts. This will be offered as an amendment to the Defense Production Act—which is coming up for renewal this year.

It will be interesting to see how the Nixon administration reacts to this bill, it appears to be so concerned about cutting education and controlling inflation. This is a bill that will cut costs, and will see that the Government gets a dollar of value for a dollar spent—and that is the way that you really control inflation.

This recommendation has contractors scared. The 12 big defense contractors associations are unanimous in their condemnation of uniform cost accounting—probably because it will force them to undertake the reforms I have advocated for the past 4 or 5 years.

I urge my colleagues' attention to this important issue, and enclose the following article entitled "Uniform Cost Rules Urged" that appeared in the Washington Post, January 19, 1970, for your information:

**UNIFORM COST RULES URGED—GAO SEES
"SUBSTANTIAL SAVINGS"**
(By Richard Homan)

Over the strong opposition of industry, the General Accounting Office recommended to Congress yesterday that uniform standards be developed for cost accounting in preparing and administering negotiated contracts, the most widely used method of government procurement.

The use of uniform standards in determining costs, the GAO said, would result in "substantial savings over the long term" for the government and enable the GAO to administer the Truth in Negotiations Act "more effectively than can be done now."

Though GAO officials said they could not put a firm dollar figure on the likely savings, they noted that negotiated contracts amounted to \$45.9 billion in 1969—almost 90 per cent of the federal government's total procurement for the year. Use of uniform standards would tighten each of the thousands of separate negotiated contracts that make up the total procurement budget, the GAO said.

The Senate Banking and Currency Committee is expected to schedule hearings on the matter shortly.

The GAO report, the result of a study ordered by Congress in 1968, deals with the complex method by which contractor and government purchaser negotiate a contract price.

In the negotiations, the government purchaser must be able to evaluate the contractor's cost estimate. The contractor's estimate includes portions of a variety of indirect and associated costs such as plant overhead, capital investment and general administration that, as part of the contractor's overall business activity, should be only partially attributable to the contract being negotiated.

The method of accounting for these indirect costs varies greatly within industry, according to the GAO, and the beneficiary of the variations is rarely the government.

"Uniform cost-accounting standards could provide a common framework for estimating prospective cost or for the determination of the actual cost of a contract," the GAO said. "They could provide the guidance, support and coordination required for better understood estimates and subsequent reports of actual cost."

Though Congress asked the GAO to examine the feasibility of applying uniform cost accounting standards only to defense contracts, the report recommended that they be made applicable for all government procurement.

The GAO said, however, that the standards should not be so rigid as to "ensure a uniform application of precisely prescribed methods of computing costs . . . under all the wide variety of circumstances involved in government contracting."

Rather, the GAO said, the standards should be flexible and should emphasize prior disclosure to the government of which cost accounting procedure among several available the contractor will use and should emphasize consistency in their use.

"The basic problem, as we see it on the basis of the cases we reviewed," the GAO said, "is one of inconsistency by contractors in the assignment of government contract costs."

EXAMPLES GIVEN

The GAO gave these examples, without identifying the contractors:

One contractor treated temporary duty costs, including labor and travel expenses, as "other direct costs." His normal accounting treatment is to include the labor portion of such costs as direct labor and to charge the remaining costs to overhead, which the government would reimburse at a smaller percentage.

A contractor with a preponderantly commercial business included \$113,000 in indirect material costs as both costs of a government contract and as overhead, thus duplicating the charge.

A contractor confronted with a loss because he had exceeded allowable costs on one government contract shifted \$698,000 in direct costs to overhead, in the hope of reconverting part of it under other government contracts.

Uniform cost accounting standards would have made each of these fund shuffles more difficult to accomplish and more visible to the government purchaser or contract administrator, the GAO indicated.

AGENCIES ENDORSE STUDY

Federal agencies, including the Defense Department, have endorsed the GAO study, as did four of five national accounting organizations queried by the GAO.

The GAO's conclusion was criticized, however, by nearly all of the 12 national industrial associations to whom it was circulated for comment.

**THE KANSAS CITY CHIEFS BE-
COME WORLD CHAMPIONS**

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Missouri (Mr. RANDALL) is recognized for 10 minutes.

Mr. RANDALL. Mr. Speaker, on Sunday afternoon, January 11, all America saw red on their television screens. It was the red jerseys of the Kansas City Chiefs who dominated the Super Bowl game in New Orleans. Those who reside in the heart of America, as Metropolitan Kansas City has long been known, had been seeing red for several

days, because two NBC television commentators had put out some unfounded and unsubstantiated reports that the Kansas City Chiefs' great quarterback, Len Dawson, was involved in a Detroit grand jury investigation.

When the day was done the Kansas City Chiefs had thrown at the Minnesota Vikings some of the fanciest formations ever witnessed on a football field. The result was that the Chiefs became the champions of the football world by a humbling margin of 23 to 7.

The little man who is the ingenious coach of the Kansas City Chiefs, Hank Stram, certainly did not do it all by himself. His engineer on the field was quarterback Len Dawson. Before the game Len had been considered by some as an ordinary quarterback who would collapse in a heap before a rush of any kind. But in the Super Bowl he faced the charge of Minnesota's Norsemen coolly and threw with such perfect form and marvelous aim that he completed 12 out of 17 passes. Moreover, it was Len Dawson's job to sort out and decide upon the many, many different options contained in the complicated portfolio that makes up the Stram offense.

One sports writer described the many different offensive sets and defensive formations formulated by the coach of the Kansas City Chiefs as an effort to create a moment of hesitation or an interval of doubt in the minds of the other team, whether on offense or defense. Put differently, Stram was determined to mask where his team would go and to conceal as long as possible how it would arrive at the point of attack.

In the Super Bowl, between the two of them, Stram and Dawson, the Chiefs showed Minnesota everything but mercy. Let no one forget that the field engineer, Len Dawson, had to surmount all kinds of personal adversities. As he was preparing for the most important game in his life, NBC released a story that he would be called to testify before a Detroit grand jury. It was unfair, unfounded, uncalled for, unjust, and untrue. This thing became so reprehensible that the commissioner of football, Pete Rozelle, immediately rallied to Dawson's defense. The general public lined up solidly behind Dawson because in their own minds and hearts they were convinced the innuendo concerning Dawson just could not be true.

To add to Dawson's burdens, the night before the big game he came down with a 24-hour virus. He had virtually no sleep that night and before the game all he had to eat was a bowl of crackers with milk, and a candy bar. Despite the great psychological pressure, the illness and lack of sleep, and a painful knee, he triumphed over all of these personal adversities because of his great courage and perseverance.

But the outcome of the game was not all a Dawson victory. The Chiefs are a well-balanced club. Every single player is equally capable of overcoming adversity and reaching the heights. Unlike the game last year, dominated by Joe Namath, the game this year was a team effort all the way. One very talented writer described the success of the Chiefs

as a case of 40 for 60, meaning that approximately 40 players were determined to give their best to work together as a unit or as a team for the full 60 minutes of the game. The sports editor of the *Kansas City Star* put it beautifully when he said, "The victory over Minnesota was a combination of inspiration, organization, and determination. Such is the solid foundation for a world championship team."

It was a great day for mid-America. The pregame show was outstanding with trumpeter Al Hirt wearing a Viking helmet replete with horns and Doc Severson with the feathers of his Indian headgear going all the way to the ground. For once, those of us who were *Kansas City* fans, for some strange reason, could not really applaud the playing of Al Hirt—but the show was great. It was like Times Square on New Year's Eve. Everyone was thrilled when Pat O'Brien recited, not sang, the "Star-Spangled Banner."

For *Kansas City* partisans the thrills began early in the game. Our Chiefs began the scoring, ominously enough for Minnesota, when Jan Stenerud was called upon and proceeded to kick a Super Bowl record fieldgoal of 48 yards. He came back for another fieldgoal from 32 yards out and a little later a third one from the 25-yard line. After this third field goal the Vikings resembled anything but two-touchdown favorites. After that third fieldgoal the Vikings fumbled Stenerud's kickoff and the Chiefs struck quickly for a touchdown.

Enjoying a comfortable 16 to 0 advantage at the half, all of us who were for the Chiefs could now appreciate Al Hirt, a little more, even with his Viking getup, as he played for Marguerite Piazza while she sang "Basin Street Blues." Then the entire country enjoyed the reenactment of the battle of New Orleans. Later a float made into a riverboat was hauled on the field. Everyone watching television saw Lionel Hampton perform on the xylophone. All America followed the reenactment of the mournful trip of the jazz greats to the cemetery but hands clapped for the joyful trip back. Perhaps the greatest thrill of the half-time show was the finale, when all across the land everyone watching TV joined the musicians on the field to sing that eternally popular Dixieland melody, "When the Saints Go Marching In."

When the third quarter started the Vikings seemed to wake up for a while, and by their great strength and a lot of awkwardness they managed to score after about a 70-yard drive. That put the score at 16 to 7, and to the Minnesota followers it seemed all they needed was a touchdown and a fieldgoal to be out in front. The clock showed they had plenty of time for that to happen.

Just a little while after the first Minnesota score, time did run out for the Vikings. The reason was that *Kansas City* quickly scored its second touchdown. With the ball on the Viking 46-yard line, Dawson dropped back and fired a short pass to Otis Taylor, who went all the way into the end zone

standing up. It was truly in this moment of glory that the Chiefs became "Super Chiefs."

Several Vikings in discussing the situation after the game, admitted they reached the Super Bowl by playing aggressive defense, but for some reason just could not be aggressive in this one great game. As for the Chiefs, they said after the game that their main objective was to keep Kapp confined, meaning to force Minnesota quarterback Joe Kapp to stay in his backfield and throw the ball, rather than run with it. The experts say that the Chiefs developed what could be called an odd line, a formation in which the tackle played nose to nose with the center. In this game the Chiefs' 275-pound Buck Buchanan and 265-pound Curly Culp kept the all-pro center from Minnesota, Mick Tinglehoff, so busy keeping them from destroying him that he could not contain Willie Lanier, the Chiefs' middle linebacker, or seal him away from thrusting through the line to get Kapp.

The Chiefs' odd line not only contained Kapp, it shut off the much-heralded Viking running game. Mr. Kapp, who had gained 57 yards against Cleveland, got only 9 against the Chiefs.

There was so much pressure by the Chiefs that the Vikings' quarterback had to look for the short pass and get rid of the ball much too soon. This certainly contributed to the interceptions by the Chiefs. While Kapp tried a few of his long passes, which had been so successful against Cleveland and which have been called his "quick six," he had little success against *Kansas City*.

In the fourth quarter there appeared some very interesting irony, because Kapp had been known as a redoubtable runner and Dawson had been regarded as a quarterback who never runs. Once in the fourth quarter Kapp tried to run and was caught hard by Aaron Brown. After that tackle he walked off the field not to return during the game. Yet just a little while later when the Chiefs were in possession of the ball, Dawson, who had hurt his knee so badly that he had to stay out of six games in the regular season, went back to pass and finding no one open, ran with the ball. The result—he gained 11 yards and a first down. Such irony was the highlight of the Kapp-Dawson duel.

As the end of the game neared, every Chief on the field realized they were nearing the end of the long, hard road to the world championship of football. The game pictures will show that safety Johnny Robinson, who played in spite of a rib injury, after he recovered a Minnesota fumble raised his index finger to tell the stands and all the TV audience the Chiefs were No. 1. The year of the Jets had ended. The year of the Chiefs had begun. Hail to the Super Chiefs.

THE JOB CORPS CENTERS CLOSING

The SPEAKER pro tempore. Under a previous order of the House the gentleman from New York (Mr. RYAN) is recognized for 20 minutes.

Mr. RYAN. Mr. Speaker, last session

I introduced House Resolution 381, and companion resolutions—House Resolution 382, House Resolution 383, and House Resolution 390—cosponsored by 53 other Congressmen, in opposition to the administration's announced intention to close 59 Job Corps centers. Despite our efforts, the centers were closed.

Numerous justifications for doing so were offered by the Nixon administration: Job Corps had a poor placement record; Job Corps was too expensive; Job Corps had a serious dropout record; Job Corps members showed little demonstrable improvement in math and reading levels; Job Corps taught few marketable skills.

But, Secretary of Labor Shultz admitted, on April 11, that a number of the basic premises of Job Corps were sound—that is, complete residential service for youths from disruptive environments, and intensive supportive services, such as remedial education and work orientation. Thus, and this was the Secretary's ostensible antidote for closing 59 centers housing some 15,000 youths, 30 new in-city and near-city residential centers were to be opened.

It is almost 7 months since the formal closures occurred. And yet, only one new center—in Phoenix, Ariz.—has been opened. The supposedly "new" centers in New Jersey and Hawaii are really former centers—Kilmer and Koko Head—with new names. Actually, the New Jersey center is even less than a "horse of a different color": the Kilmer Job Corps Men's Center had a population of approximately 1,600 youths, whereas the "new" New Jersey center is limited to a maximum of only 350, and is restricted to New Jersey youth only.

The negligible progress in recouping the losses following the closure of the 59 centers is extremely troublesome. The story of the four main centers serving New York City shows how this administration has failed.

At the time of the closures, there were four Job Corps centers to which most New York City youths were funneled: Kilmer Men's Center, Poland Spring Women's Center, and Acadia and Wellfleet Conservation Centers. The total population of these four centers, as of April 11, 1969, was 3,013—Kilmer, 1,671; Poland Spring, 1,110; Acadia, 125; Wellfleet, 107.

According to a letter of January 7, 1970, which I received from William Mirengoff, Acting Director of Job Corps, 30 percent of these youths graduated before closure of the centers and 36 percent transferred to other centers.

Of the remaining 1,038 youths, only 151 were placed in other training programs. And yet, Secretary Schultz offered as one of the primary justifications for the closures of the 59 centers the argument that, whereas in 1964 there were only 27,000 openings for youths in manpower programs, supposedly there are now some 600,000 such openings. He pointed to new programs such as "CEP, JOBS, area skills centers, and other manpower service components."

Surely, the performance in placing Job

Corps youth forced out of closed centers in these other manpower programs belies the promise offered by the administration.

As for the remaining 887 youths from

Kilmer, Poland Spring, Acadia, and Wellfleet, 492 are in "other placement" and 395 have not even been accounted for.

Following is the chart sent to me by the Acting Director of the Jobs Corps:

| Center | On board Apr. 11, 1969 | Graduated | Transferred | Estimated number in other training programs | Estimated number in other placement | Number not accounted for |
|------------------|---------------------------|-----------|-------------|--|--|-----------------------------|
| 1. Kilmer | 1,671 | 529 | 551 | 91 | 280 | 220 |
| 2. Poland Spring | 1,110 | 366 | 444 | 40 | 142 | 118 |
| 3. Acadia | 125 | 5 | 32 | 12 | 42 | 34 |
| 4. Wellfleet | 107 | 8 | 40 | 8 | 28 | 23 |
| Total | 3,013 | 908 | 1,067 | 151 | 492 | 395 |
| Percent | | 30 | 36 | 5 | 16 | 13 |

Certainly these figures are disconcerting. New York City youth made up almost half—approximately 1,400—of these 3,013 youths at the four closed centers. In rough terms, these figures indicate that about 200 New York City youths are unaccounted for, and only 75 have been placed in "other training programs." The fact that 30 percent graduated and 36 percent transferred to other centers is no answer to the obligation the Federal Government undertook—and properly so—when it enrolled these youths in Job Corps.

To make the problem even more severe, the Neighborhood Youth Corps has recently been modified to limit enrollment to youths 16 and 17. Thus, one of the manpower programs accounting for the "600,000" openings for youth in 1969, to which Secretary of Labor Schultz pointed, now excludes youths 18 and over, many of whom made up the Job Corps population.

Yet, still no new center has been opened for New York City youth. The New York City youth who wants to enroll in Job Corps and who is eligible for the more advanced Job Corps Men's Center program must be sent to Breckenridge Men's Center in Kentucky, or to Atterbury Men's Center in Indiana. These are the two men's centers closest to his home. And the young man eligible for a Job Corps Conservation Center must be sent all the way to North Carolina.

New York City girls have a similar problem. The nearest Job Corps Women's Center is in Jersey City, N.J. This center only has a capacity of 650, whereas formerly, not only that center was available, but the 1,100-girl Poland Spring Center could also serve New York City girls. Now, the overflow which the Jersey City Center cannot absorb must be sent to the Cleveland, Ohio, Women's Center, since the Blue Ridge Women's Center in Virginia is restricted to Appalachian girls.

Nor should anyone think that the so-called "new" New Jersey Residential Manpower Center—the replacement for Kilmer Men's Center—is available to enroll New York City youth. A fourth the size of the former Kilmer Center, the New Jersey center is restricted to New Jersey youth. In fact, not even all such youth are eligible, since recruitment is to be limited, in accordance with the Job Corps contracts for running the center, to only certain New Jersey counties.

Mr. Speaker, I am very seriously concerned—not only for the youths formerly in Job Corps who have suffered because of the closures, but also for those youths seeking now to enroll in Job Corps and who are foreclosed by this restrictive policy at the New Jersey center—a policy which, I should note, is to be employed at all the new centers.

I question whether the legislation even allows such restrictive enrollment. Section 103 of the Economic Opportunity Act, as amended, prescribes the standards for eligibility for Job Corps. Youths must be "permanent resident(s) of the United States" under section 103(1). I see nothing which says that they must as well be residents of certain counties in a State. Section 106(d) allows for assignment of enrollees to "that center of the appropriate type in which a vacancy exists." But I see nothing so distinctive about the new residential manpower centers which justifies sending a New York City youth to a Job Corps men's center in Kentucky, instead to a Job Corps residential manpower center only a few miles from his home in New Jersey.

And I would further note, section 106(d) further directs assignment of a youth to the center "which is closest to the enrollee's home." Exception to this requirement is very limited:

The Director, on an individual basis, may waive this requirement (of assignment to the center closest to the enrollee's home) when overriding consideration justify such action. Assignments to centers in areas more remote from the enrollee's home shall be carefully limited to situations in which such action is necessary in order to insure an equitable opportunity for disadvantaged youth from various sections of the country to participate in the program, to prevent undue delays in the assignment of individual enrollees, to provide an assignment which adequately meets the educational or other needs of the enrollee or is necessary for efficiency and economy in the operation of the program.

Perhaps the language of section 106(d) can be manipulated by the Job Corps to justify restricting enrollment at the Job Corps Residential Manpower Centers to local boys and girls when there are adequate openings close by at other centers for all youths. But that is not the case now.

The situation now is that there still is no center in New York City, one of the cities designated by the Job Corps for establishment of a Residential Manpower Center. The Acting Director of

the Job Corps informed me, in his letter of January 7, that, while, Job Corps is negotiating for a site at Fort Totten, opposition of local residents is causing some delay.

I realize that Job Corps has little room for maneuver—funds have been cut, adequate sites are not plentiful. As I am aware, many other sites have been investigated. But at the same time, I cannot condone the delay.

Moreover, I suggest that the most likely sites—not only in New York City, but elsewhere as well—have not been utilized. These are the thousands of abandoned buildings in every major city. Such sites are near businesses which will provide sources of on-the-job training, and they are near recreational facilities and transportation.

Certainly, costs would be incurred in renovating these structures. But Federal money is available for renovation of housing. In addition—and this should be particularly noted—Job Corps itself is already expending large sums on capital investment. Approximately \$600,000 is being spent for renovation of the to-be-opened Atlanta Residential Manpower Center, for which a rental of over \$300,000 is being paid for a 2-year term. A building was purchased by Job Corps for the Phoenix center at a cost of \$100,000, and extensive renovation costing over \$400,000 is being done there. Three buildings are being rented for the to-be-opened Portland center at a yearly rental of approximately \$163,000.

These are considerable expenditures of money on capital investment. This is not to say they are necessarily unwarranted. Job Corps is limited by 2-year contracting authority, which results in higher rentals. And, as I am aware, the rentals, at least, fall within the 15-percent statutory maximum set by 40 United States Code 278a.

But, if money is to be spent—and certainly it should be to continue the Job Corps program—it would seem more beneficial to spend it on abandoned buildings. Thereby, needed money is brought into the inner city, neighborhoods are improved, dangerous eyesores are renovated, and the youths are not exported to communities which do not want them and which would be foreign to the youths.

Mr. Speaker, it is too late to undo the egregious mistake of closing 59 Job Corps Centers—a mistake implicitly acknowledged by the Administration's closing of the St. Louis Job Corps Women's Center in June of 1969, and its now planning to open another center, at a different site, in the same city. It is too late to rescue the excellent Clinton Women's Center, and it is too late to prevent the closure of 8 conservation centers in California, alone, while the ill-run Trapper Creek Conservation Center is retained.

But, Mr. Speaker, something can, and must, be done now. New centers—to which the administration purports to be committed—must be opened, and they must be opened at appropriate sites—sites which will, most importantly, benefit the Corpsmembers. But sites, also, at

which funds will be expended wisely and advantageously—such as abandoned inner city buildings.

PEACE IN THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. PHILBIN) is recognized for 10 minutes.

Mr. PHILBIN. Mr. Speaker, I think all of us who are vitally interested in the young, democratic State of Israel are deeply concerned by certain steps that have been taken recently by this Government, indicating some change in the policy of the United States in the Middle East, and particularly toward Israel, as evidenced by Secretary Rogers' speech of December 9, 1969.

Admittedly, this Government is committed to doing everything in its power to bring about peaceful conditions between Israel and the Arab States and total peace in the Middle East.

However, I do not believe that it is either sound or wise policy for this Nation to start laying down conditions that would clearly put Israel at a disadvantage, even before it gets into a peace conference, and would, in a major sense, destroy the historic position this Government has taken ever since the time when we were the first great Nation to hold out a helping hand to the brave, gallant, young State of Israel.

I think we can agree for the most part that any effort by this Government to propose any settlement that would be at the expense of Israel's vital interests, in the fact of our long-continued constructive policy toward Israel, would be directly inimical to the United States interests, and perhaps could well only serve to increase dangerous ferment and agitation in the Middle East, and strengthen those whose design it is to increase the prestige and power of Israel's enemies and endanger Israel's security and freedom.

If this change in policy is predicated on appeasing the Soviets by requiring concessions at the expense of Israel, it strikes a very unhappy and unfortunate note in our relations with Israel—one that might well inject another complication into the situation in the Middle East by creating worldwide misunderstanding and apprehension on the part of other nations of the free world, concerning a possible change of policy on the part of this Government that could only serve to handicap, instead of encouraging and helping Israel, as our historic policy was intended and fashioned to do.

For us to try to lay down adverse conditions precedent to negotiations would work havoc with the prospects of peace in the area.

It is also true, in my judgment, that any policy toward Israel, or other nations, that is based upon appeasement of other nations, whose interest and motives are not based upon total world peace in the area would be, to my mind, fraught with grave misunderstandings and setbacks in the Middle East and elsewhere in the world.

The cause of Israel, and the cause of total, world peace are great goals, to

which we have been, are, and must continue to be unalterably committed.

To put the matter in clear context, it is my studied conviction that this Nation must fairly maintain the historic commitment in the Middle East that will be consistent with our long sustained warm friendship and commitment to Israel, to stand by her side in the noble, very successful work she has so bravely carried on in founding, building, and admirably projecting a free, democratic, homeland state in the Middle East, politically, economically, and socially developed and related to free world democracy, and dedicated to principles of freedom, human rights, and justice and peace, not only in the Middle East, but in the world.

I believe that any weakening of our policy toward the free state of Israel could well have catastrophic results for our own world policies, precarious implications for Israel's position in an area where she is surrounded by nations who are not only rattling sabers and threatening her destruction, but fostering principles, plans, and practices of outspoken belligerency toward Israel, which certain leaders have publicly proclaimed by word and deed to the entire world.

This Nation, if it is to be well directed and guided toward a viable, diplomatic policy in the Middle East must continue to help, not hurt the young state of Israel in its aims to maintain and preserve its free government.

It is our historic policy, in every way possible, to avoid hostilities and war, and promote peace, understanding, and friendship among nations, but it would be a great mistake for this Nation to stand, unprotesting, silent, and unmoved while other nations pursue enmities and aggressions that can only serve in the end to bring greater instability and danger into the Middle East that could well threaten the very existence of free Israel, and cause such a deterioration in that part of the world, as to lay the basis for fresh confrontations and conflicts between nuclear powers, arouse aggression, and fan the fires of insurrection and revolution in an entire continent that could conceivably spread to other parts of the world with very dangerous results for humankind.

It is imperative that this Nation's policy be based upon avoiding and ending more confrontations in the Middle East. What the world needs there is peace and our Nation must move toward that end.

The Arab States, the Soviet Union, and all other nations must fully understand that the foreign policy of this Nation is to favor and befriend the cause of freedom and peace in the world. Specifically, insofar as Israel is concerned, this is a nation to which we are committed by bonds of friendship, respect, and love that have deep roots here in our own country, and that means a great deal to us.

We invite all nations who are willing to work with us, as they should, to recognize and help young nations like Israel to find their place in the sun, as Israel has done, under free institutions selected, developed, and strengthened by its own people in a most praiseworthy, commendable way.

The foreign policy of the United States cannot blow hot and cold. It must not, on the one hand, profess that it is following our historic policy toward Israel and total peace in the Middle East, and on the other, foster a policy that gives other nations pursuing a course of belligerency, and their world supporters, to believe that we will wink at brazen, calculated, overt actions of aggression toward Israel, and in that way fragment and render ineffective and useless the present American policy toward Israel and the Middle East, which binds us definitely to support, encourage, and extend our helping hand to Israel in preserving its hard-won freedom, the integrity of its territory, and the success of its aspirations to be free and untrammelled—to work out its own destiny, and participate in our earnest striving for total peace in the Middle East and the world.

I want our great country to seek amity and peace with all nations, regardless of their ideological complexions. In the Middle East, I expect and demand that we should keep the sacred commitments that we have made to Israel, and to other free nations in the world, that we will not abandon their cause, that we will recognize and carry out the commitments we have made to them to help and assist them to reach their objectives of free democratic government, to strengthen their free institutions, to live at peace with their neighbors, and to strive with determination and resolve for every opportunity to inaugurate negotiations with those who confront and threaten them, have understandings and agreements that will end their differences that will stop the fighting, compose the disagreements and reach settlements that will provide stability and peaceful relations and understanding with other nations.

I think that it is up to the executive department of this Government, and to our great President, a former distinguished, beloved colleague of ours in this House, to make it clear to the American people, to the brave State of Israel, and to all the nations of the world that this Nation has no intention of abandoning the policy we established when we recognized Israel, and which have been followed persistently and constructively in the intervening years.

We should make it very clear that we proffer all our services and help to initiate and assure effective, meaningful diplomatic negotiations in the Middle East, and that we propose firmly and irrevocably to keep our commitments to Israel, and the cause of peace and justice in the world which is a cornerstone of American foreign policy we will not abandon.

I read with interest the text of a proposed concurrent resolution of my distinguished, dear, and great friend from Florida, Mr. PEPPER, which reads in part as follows:

That it is the sense of the Congress that the policy of the United States for the promotion of peace in the Middle East should be to exert its best efforts to arrange for direct face-to-face negotiations between the State of Israel and the Arab States; and, further, that neither the United States, nor any other power, should attempt to impose a settlement in the Middle East, nor attempt

to induce a settlement other than through direct face-to-face negotiations between the State of Israel and the Arab States.

I think this resolution makes clear what I have emphasized in my remarks and it represents the traditional policy of our Government.

Moreover, this statement is fair to all nations, and would make clear our policy toward Israel which I think this Government should do now.

Let me say one more word. We all recognize the great part that our Jewish friends have taken in the founding and perpetuation of this Nation. The gallantry of Jewish fighting men is indelibly inscribed in the annals of every American war. In Flanders Field where lie our heroic dead, the Star of David is mingled with the Cross in beauty and everlasting marble. In remote places of the world, where heroes sleep who gave their all in defense of America, the star and the cross are intertwined in a bond of immortal affection and loyalty enshrined in the hearts of Americans forever—a gleaming example of sacrifice and utter devotion for all the world to behold.

The storms of passion and hatred may rage. The fury of soulless materialism and communism may sound throughout the world. The forces of evil may conspire and act to undermine and overthrow the blessed freedom we enjoy. But they will all go down to defeat. The cross and the star will endure because they are the symbols of strength of the Almighty, and the indomitable purpose of our forebears. If we but persevere in the faith of our Nation, determined to protect it from all danger and at any cost, He will continue to bless our great land and hasten the day of universal peace and amity among men and nations.

The evidence of our friendship and policy toward Israel and free negotiations is overwhelming.

President Johnson voiced it in a June address in 1967. He said:

Clearly, the parties to the conflict must be the parties to the peace . . . It is hard to see how it is possible for nations to live together in peace if they cannot learn to reason together.

President Nixon endorsed this view in his address to the United Nations General Assembly on September 18 last when he said:

A peace to be lasting must leave no seeds of a future war. It must rest on a settlement which both sides have a vested interest in maintaining . . . We are equally convinced that peace cannot be achieved on the basis of anything less than a binding, irrevocable commitment by the parties to live together in peace.

Secretary Rogers voiced the same principle in his statement to the Senate Committee on Foreign Relations, March 27, 1969, as follows:

His (Jarring's) mission is to promote agreement—and this can only mean agreement between the parties.

It is of ultimate importance that this Government reaffirm this policy as it affects Israel and the Middle East. I believe most Americans hope and urge that it be done now.

And I most respectfully and prayerfully urge the President and the State Department to announce it and carry it out at the earliest possible time.

LABOR-HEW APPROPRIATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 2 minutes.

Mr. MICHEL. Mr. Speaker, earlier in the day in the colloquy between the Speaker and the gentleman from Kentucky (Mr. PERKINS) a big "to do" was made of those Republicans who voted for the conference report on the Labor-HEW appropriation bill and the position they may take in sustaining a Presidential veto of that bill.

For a Member to change his position is certainly nothing unique for this Chamber and I would remind both the Speaker and the gentleman from Kentucky (Mr. PERKINS) of the switch of 42 Democratic Members several years ago when they first supported a motion I offered to instruct conferees to sustain a House position to prohibit further shipments of agricultural commodities to Egypt at a time when Nasser was telling us to go drink from the sea. As a matter of fact on that particular vote the first time I was supported unanimously on the Republican side and joined by 72 Democrats, but 10 days later after President Johnson applied the pressure, 42 Democrats, as I said before, switched their vote in support of their President.

Going back through history there have been repeated instances of this occurring particularly when a President has seen fit to veto a particular piece of legislation.

A switch of positions could be justified for a number of reasons.

In the first place the financial picture has not improved, but rather deteriorated. The projected surplus in the September budget review has been drastically modified. Appropriations were raised by over \$1 billion above the budget in September and more than \$1 billion of requested revenues were not provided.

One of the factors is the 15 percent increase in social security which was included in the tax reform package and which took effect January 1. Members will recall that the earlier budget projections provided for a 10-percent increase with an effective date of April 1, 1970.

Uncontrollable costs continue to rise. Interest on the public debt is up \$800 million, medicare payments up \$350 million, unemployment benefits up \$500 million, and retirement funds up \$100 million. Besides the \$1.3 billion increase in the HEW appropriation the public works bill was up \$552 million and the agriculture bill up some \$250 million. And finally, Mr. Speaker, these increases in education in particular come too late in the fiscal year to be wisely utilized.

J. EDGAR HOOVER—MR. FBI

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, the best way to judge a man is by his record. As all of us in public life know, a person's record can be, and often is, distorted by overzealous supporters or detractors.

J. Edgar Hoover, Director of the FBI, is a man whose record of service will never be equaled. None can distort his record of 45 years as Director of the Nation's most important law-enforcement agency.

His record of achievement during this 45 years is equally impressive, I think. I had the privilege to serve under Mr. Hoover's leadership as a special agent of the FBI, and I naturally have followed closely his record through the years. He has a few detractors but they are vastly outnumbered by his supporters.

Recently, the Congressional Quarterly, a publication with which we all are familiar and which has a reputation for objectivity, assigned an associate editor, Robert A. Barnes, to research and report Mr. Hoover's record. Mr. Barnes' article in the December 22, 1969, issue of the Congressional Quarterly probably records more factual information about Mr. Hoover in a short space than any article ever written. I would hope that every Member of the House of Representatives would take the time to read the excellent results of Mr. Barnes' detailed research on Mr. Hoover. There is no distortion here of Mr. Hoover's record, it is merely reported.

Mr. Speaker, I include at this point Mr. Barnes' article in the Record:

HOOVER AT 75: "MR. FBI" AND HIS "G-MEN": NEAR-LEGENDS SINCE 1924

The story of John Edgar Hoover is the story of a man and an institution. But as Hoover has continually emphasized, the institution is first and foremost an organization of men.

On grounds that the caliber of the Federal Bureau of Investigation depends on its personnel, Hoover has sought from the time he took over the agency more than 45 years ago to instill in FBI employees the qualities, outlook and discipline he contends are indispensable.

For his basic policies he has given much credit to then Attorney General Harlan Fiske Stone, who installed him in his post during the scandals that followed the Harding era. Hoover wrote Mrs. Stone April 23, 1946, the day after the death of her husband who had become Chief Justice of the Supreme Court and a renowned judicial backer of Franklin D. Roosevelt's constitutional authority to make New Deal innovations through Congress: "The Chief Justice has been to me an ideal. . . . He is in fact the real father of the Federal Bureau of Investigation as we know it today."

The nature of the institution and the duties given it by Congress and Presidents make the FBI's history—like that of "the director," as he is known in the ranks—coincide at many points with a history of the United States itself in the 20th century. "To tell the story of the FBI is to recite the history of men and women seeking to make America more secure," Hoover said in 1946. "It is the story of a long line of citizens who form a solid front against crime."

Underscoring the parallel, often identical, courses of national and FBI history, events even then were continuing to broaden the FBI's activities beyond crime as such. As the nation's primary domestic investigative agency, the FBI and its chief would be immersed constantly in conflict and controversy which seem likely to last as long as the strife itself.

But throughout his unprecedented service under eight Presidents, Hoover has maintained the course he adopted at the outset with a persistence that itself has produced brickbats and with a success that has infuriated his enemies.

In a 1960 study for The Brookings Institution called *Presidential Transitions*, Laurin L. Henry noted the pressures for official jobs when national administrations changed, except in such cases as the FBI, "where J. Edgar Hoover's public popularity made him virtually untouchable . . ." Hoover's continued tenure in perhaps the most sensitive position in Government—aside from the Presidency—stands as evidence.

The Gallup Poll in mid-1965 asked a cross-section of Americans: "If you had a son who decided to become an FBI agent, would you be pleased or displeased?" The poll reported that 77 percent of the persons questioned said they would be pleased.

The Bureau has not always enjoyed high public esteem. It was in poor repute when Hoover took it over in 1924 with a mandate to clean house. After a few years of unpublicized reconstruction, the Bureau moved under Hoover's command into the front ranks of U.S. Government forces combating such threats as these:

1930s—kidnappings; gangsters.

1940s—Nazi espionage and subversion.

1940s on—Communist espionage and subversion, which Hoover says continues today.

1950s on—soaring crime and lawlessness, reaching new peaks today.

1950s on—mounting civil rights strife exacerbated by extremists of right and left.

1960s—city rioting and street violence.

1960s—organized crime.

As the United States has moved through new crises of rising crime, assassinations of a President and two prominent political leaders and unprecedented rioting, the FBI Director has spoken out often and bluntly on what he has felt are dangers in the national trends. He has attacked complacency among the citizens, a "national disregard for the realities" of the present, abuses in the parole system and what he has considered undue clemency by many judges. His statements over the years have covered a broad range of American life and have become a primer on what he has seen as the fundamentals of the traditional American ethic.

He has often been at odds with opponents who have called his law enforcement stand "hard-line" and who have discounted or sought to ridicule his persistent reports of Communist or other subversion. In addition to such vigorous direct attacks, some critics have made other attacks on Hoover indirectly.

Attacks notwithstanding, Hoover has become one of the most unassailable figures in U.S. history. His supporters far outnumber his critics both in numbers and influence. As President Johnson expressed it May 8, 1964, Hoover has been a "household word, a hero to millions of citizens and an anathema to evil men." Mr. Johnson called him a "quiet, humble and magnificent public servant."

For an understanding of the place the FBI and its director occupy in the nation today, the reasons behind the "iron hand" with which Hoover is said to rule the organization and behind his oft-expressed concern for its future course, the conditions that existed when Hoover took charge deserve consideration.

As Harry and Bonaro Overstreet said in their 1969 book, *The FBI in Our Open Society*, concerning the fears of some that the FBI could become the agency of a police state if safeguards were lowered: ". . . The answer to the bland assurance 'It can't happen here' is that it did happen here—between 1918 and 1924."

HISTORY

Origin of FBI

In 1908 President Theodore Roosevelt, frustrated in efforts to combat business monopolies and land grabs, demanded a new federal investigation unit. Attorney General Charles Bonaparte on July 26, 1908, set up a small group of special investigators in the Justice Department. The group took the title "Bureau of Investigation" in 1909.

Indicative of what the future could hold, perhaps, Bonaparte in *Century* magazine, March 1910, described pressures that began when he took office, visits by "prominent lawyers representing different corporations or clusters of corporations with which the Government was, or expected soon to be, in litigation. . . ." He said when blandishments received no encouragement, criticisms of the Department soon began.

The Bureau gradually grew, with addition of Selective Service and espionage responsibilities during World War I. Interstate automobile thefts were added to its tasks in 1919. In the post-World War I period the Justice Department and its Bureau of Investigation became deeply involved in the activities of the "Ohio gang" under President Harding.

President Harding's Attorney General was Harry M. Daugherty, an Ohio political associate. The Attorney General's intimate was Jesse Smith, also from Ohio, who killed himself in 1923 after accusations he had sold his influence at the Justice Department to lawbreakers.

Department of Easy Virtue

It was the era in which the Teapot Dome and other scandals were brewing, resulting in the first imprisonment of a Cabinet officer in U.S. history and other massive shake-ups. The Justice Department itself was called the "Department of Easy Virtue." Daugherty tried twice in 1926 with hung juries each time, refused to testify for fear of self-incrimination.

William J. Burns headed the Bureau of Investigation. Alpheus Thomas Mason, in his biography of Daugherty's successor, *Harlan Fiske Stone: Pillar of the Law*, says that under Burns the Bureau "had become a private secret service for corrupt forces within the government. . . . Included among the special agents were some with criminal records. Bureau badges and property had been issued to persons not employed by the government"—persons who worked "as confidential agents and informers to 'frame' evidence against personal enemies of the Harding administration. . . ."

Don Whitehead said in *The FBI Story* that the Bureau was "inept and politics-riddled" then. Joseph Kraft wrote in *Commentary* that in 1924 the Bureau was "a private hole-in-the-corner goon squad for the Attorney General. Its arts were the arts of snooping, bribery and blackmail."

Reforms

With President Harding's death Aug. 2, 1923, Calvin Coolidge became Chief Executive. He appointed the respected Stone, former dean of Columbia University's law school, as Attorney General after demanding and receiving Daugherty's resignation. Stone took over April 7, 1924, with instructions to clean up the Justice Department. Yale historian John M. Blum wrote that Stone's appointment "completed the shift from obscenity to virtue."

"When I became Attorney General, the Bureau of Investigation was . . . in exceedingly bad odor," Justice Stone wrote in 1937 four years before he became Chief Justice. He continued, as quoted by his biographer: "The head of the Bureau . . . had himself participated in serious infractions of law and

obstructions of justice. The Bureau was filled with men with bad records, and many of them had been convicted of crime. The organization was lawless, maintaining many activities which were without any authority in federal statutes, and engaging in many practices which were brutal and tyrannical in the extreme."

Stone asked advice of Felix Frankfurter of Harvard University's law school, who later became a Supreme Court Justice, and of Secretary of Commerce Herbert Hoover. Mason relates that Frankfurter sent Stone a copy of a letter he had written to columnist Walter Lippmann. In it Frankfurter said:

" . . . The key to Stone's problem is, of course, men. Everything is subordinate to personnel, for personnel determines the governing atmosphere and understanding from which all questions of administrative organization take shape." Stone told Frankfurter later that he followed Frankfurter's suggestions "almost exactly."

Stone had ideas for an agency based on Scotland Yard, his biographer says. The future Chief Justice said he wanted a director with police experience who was not steeped in the "more usual police tradition that it takes a crook to catch a crook, and that lawlessness and brutality are more to be relied upon than skill and special training."

Herbert Hoover, whose integrity was unquestioned amid the post-Harding scandals, recommended 29-year-old J. Edgar Hoover—no relation—for the job. Stone appointed "young Hoover," as he sometimes called him, acting director May 10, 1924. The modern FBI was born on that date.

J. Edgar Hoover

Born Jan. 1, 1895, in a house near the U.S. Capitol, J. Edgar Hoover had worked as a Library of Congress clerk while taking night courses at George Washington University. He received his law degree in 1916 and his master's a year later. He joined the Justice Department July 26, 1917. Following bombing attempts on the home of Attorney General A. Mitchell Palmer and on targets in eight other cities June 2, 1919, Hoover headed a new general intelligence division ordered to study subversive activities. His first encounters with the Communist movement in the United States occurred then.

Hoover became an assistant director of the Bureau of Investigation Aug. 22, 1921, and served directly under Burns until Burns' departure three years later. Hoover's early activities matched him not only against the Communists but also against the Ku Klux Klan, powerful enough to parade 50,000 men down Pennsylvania Avenue in 1925. The Klansmen, like the Communists, would prove perennial foes for Hoover and his Bureau throughout his long career.

Whitehead says Hoover told Attorney General Stone he would accept appointment as acting director on these terms: "The Bureau must be divorced from politics and not be a catch-all for political hacks. Appointments must be based on merit. Second, promotions will be made on proved ability and the Bureau will be responsible only to the Attorney General." This was what Stone wanted.

Seven months after he took the position, on Dec. 10, 1924, Hoover was appointed director by Stone. Twenty-six days later Stone was nominated for the Supreme Court. *The New York Times* reported Hoover's appointment in its issue of Dec. 23 with a single paragraph on the financial page.

Building the FBI

In 1933, when there was a question whether incoming President Franklin D. Roosevelt would keep Hoover on, Stone wrote Frankfurter about what the new director had done upon taking over. Mason reports that Stone said Hoover "removed from the Bu-

reau every man as to whose character there was any ground for suspicion. He refused to yield to any kind of political pressure; he appointed to the Bureau men of intelligence and education, and strove to build up a morale such as should control such an organization. He withdrew it wholly from extra-legal activities and made it an efficient organization for investigation of criminal offenses against the United States."

An identification unit was set up in the Bureau July 1, 1924. The Bureau's original collection contained 810,188 fingerprints transferred from Leavenworth Penitentiary in Kansas and from files kept by the International Association of Chiefs of Police. This would grow more than 200 times in years ahead.

Congress June 11, 1930, authorized compilation of criminal statistics, and after that September the FBI became the clearinghouse for national crime statistics reported by state and local authorities and published as the "Uniform Crime Reports." Hoover said that corrective steps should eventually become possible when adequate statistics were available.

An FBI laboratory was established in November 1932. A quarter century later, Hoover told Congress the laboratory had at its disposal "the finest crime detection facilities in the world." He said: "The minute stain of blood, the altered document, the match folder found at the scene of a burglary, the heelprint or fleck of dust often provide the essential bit of evidence needed to link the criminal to his crime or to clear the innocent person."

In the personnel field, Hoover could say by 1935: "More than 82 percent of the Division's investigative personnel have had legal training or were expert accountants before entering the Division." Of the 600 Special Agents in what was then called the division of investigation, 418 had university degrees, he said.

Through the early years, as ever since, Hoover left his personal stamp on the agency. On Jan. 2, 1932, Stone wrote Hoover: "... it it always a comfort to me to see how completely you have confirmed my judgment when I decided to place you at the head of the Bureau of Investigation. The Government can now take pride in the Bureau instead of feeling obliged to apologize for it."

In later years, numerous testimonials noted Hoover's personal contribution to the building of the FBI. In a foreword to Whitehead's 1956 book, Hoover said: "No one person has built the FBI to the organization it is today." But Whitehead himself said, "No other agency in the federal government bears the imprint of a single personality as clearly as the Federal Bureau of Investigation." The late Sen. Everett McKinley Dirksen (R. Ill.) 1950-1969) said in 1968 that "the Bureau has become indeed a monument to one man." And Sen. George Murphy (R. Calif.) in proposing Presidential appointment and Senate confirmation for future FBI directors, said the FBI, "unlike any other agency in the Government, has grown up under the personal guidance and under the leadership and tutelage of one man."

Move into prominence

The kidnapping of flyer Charles Lindbergh's 20-month-old son March 1, 1932, marked a turning point in FBI history. National indignation was largely responsible for enactment June 22, 1932, of the Federal Kidnapping Statute, which gave the Federal Government jurisdiction in kidnapping cases where interstate aspects exist. Hoover has said that prior to passage of that law the Bureau's work "attracted only a moderate degree of public attention, although it was extensively engaged in criminal and civil investigation."

A wave of kidnappings prompted President Roosevelt to ask one of his early brain-trusters, Raymond Moley, in July 1933 to review

the Justice Department's equipment for dealing with the trouble. For the FBI director, this period marked the first political test at a time of national administration change from one political party to another.

In *After Seven Years*, Moley said: "Part of what was in Roosevelt's mind, I knew, was a doubt about the desirability of continuing J. Edgar Hoover in office—a doubt, put there by Louis (Howe). When the administration had come into office in March, there were many rumors that Hoover was to be ousted in favor of a Democratic politician. I had vehemently defended the magnificent work of Hoover to the President and Louis. I like to think that what I did in August, 1933, gave me the opportunity to strengthen Hoover still more and to work with him in the development of plans that proved to be successful." Moley subsequently broke with Roosevelt.

Congress amended the kidnapping statute in 1934 to allow the FBI to move into a case if the victim had not been freed after seven days, on the legal presumption that state lines had been crossed by that time.

The kidnapping legislation was the first of a series of new laws that extended federal jurisdiction in a move by Congress and the Administration aimed at clamping down on widespread crime. Hoover wrote in 1935 concerning these laws: "This legislation, sponsored by the Attorney General of the United States, unquestionably owes its existence to the realization that modern means of transportation and communication have given to organized criminal activities an interstate character, the combating of which requires the assistance of a federal enforcing agency not restricted by state boundaries."

The chief criminal laws enacted from 1932 to 1934 were the Federal Kidnapping Statute, the Federal Extortion Act, the Federal Bank Robbery Act, the Federal Reward Bill, the National Stolen Property Act, the Federal Anti-Racketeering Statute and the Unlawful Flight To Avoid Prosecution Statute.

Gangster era

The new federal laws enabled the Justice Department to move against hoodlums running unchecked in the Midwest and elsewhere. The job fell to Hoover's agency. Some of the outlaws chose to fight it out, with grim results. Although until then FBI agents could get special authorization to carry firearms, not until 1934, after the "Kansas City Massacre"—when an FBI agent and several police officers were killed by gangsters—did Congress grant the power of arrest and the right to bear firearms to the "G-men."

A spectacular series of front-page headlines ensued. In the process, the name J. Edgar Hoover became familiar to every American school boy. Among the more prominent incidents:

July 22, 1934: John Dillinger, described at the FBI in later years as perhaps the most notorious of these "criminals of the past," killed resisting arrest on a Chicago street. His death mask is viewed by visitors to the Bureau today.

October 22, 1934: "Pretty Boy" Floyd, killed on an Ohio farm resisting arrest.

November 27, 1934: "Baby Face" Nelson, murderer of three FBI agents, fatally wounded in a gun fight on an Illinois highway.

January 8, 1935: Russell Gibson of the Barber-Karpis gang, killed in a Chicago alley resisting arrest.

January 16, 1935: "Ma" and Fred Barker, killed fighting agents in Florida.

May 1, 1936: Alvin "Old Creepy" Karpis, then Public Enemy No. 1, captured in New Orleans, La. Karpis had sworn he would never be taken alive and, as Hoover later reported, "had threatened, in a letter sent to me as Director of the FBI, to invade the G-men's headquarters with a machine gun before Special Agents could get him." Hoover made the arrest himself. After serving a prison

term, Karpis was deported to Canada, where he was still alive in 1969.

FBI National Academy

An offshoot of the bank robber-kidnapping era of the 1930s was the founding of the FBI National Academy to train law enforcement officers in modern techniques. Hoover explained it at a Senate Appropriations hearing February 3, 1950:

"The reason the National Academy was created in 1935 was that at that time we had a wave of kidnapping in this country, and there were demands that we set up a national police to stamp out kidnapping. I have always been vigorously opposed to anything favoring of a national police force. There was then a gap between the local and Federal authorities. There was jealousy, incompetence and inefficiency at the local level.

"... In one particular city we were in pursuit of John Dillinger, and we had advance word that he was coming to that city to visit a doctor for the purpose of having a bullet wound treated. We went to the local authorities, as we usually did, and asked their cooperation. ...

"We surrounded the block. ... An hour before his time for arrival the afternoon newspaper came out stating that Dillinger was due for treatment. Of course, Dillinger never showed up in that town. It was 2 or 3 months later when we had the gun battle with him in Chicago and had to kill him.

"That sort of thing prevailed in those days, but we do not find a similar situation today. That has been largely done away with due to the fact that for a period of 15 years our Academy has been in operation and these officers have come here ... These graduates work with us in full cooperation and harmony. That is the American way of avoiding any resemblance of national control or of a national police system to which, as I say, I am very much opposed."

Hoover told the Senators: "I feel that just as soon as the Federal Government or any branch of it tries to assume a parental attitude in law enforcement, as was the case under prohibition, there is going to be a break-down at the local level. Local authorities should be compelled to handle their own problems of violations of local laws."

Three years afterward, Sen. Leverett Saltonstall (R. Mass. 1945-1967), Governor of Massachusetts from 1939 to 1944, told Hoover concerning the FBI Academy: "As Governor, I know that that school is one of the best things, in my opinion, that the Bureau does."

Nazi fifth column

The homegrown gangs were smashed, but a new enemy threatened: the Nazis. Germany invaded Poland Sept. 1, 1939. Five days later President Roosevelt issued a directive charging the FBI with "the primary responsibility for the protection of the internal security of the United States," as Hoover put it. This World War II action was attributed largely to the confusion that had resulted during World War I, when more than 20 agencies had investigated activities of spies and saboteurs.

The FBI took in 33 German agents the weekend of June 28, 1941. The day after the attack on Pearl Harbor, 1,771 aliens deemed to be dangerous were taken into custody—the first of more than 16,000 aliens eventually arrested by the FBI.

"I recall in the pre-war years that the FBI was criticized on the ill-founded premise that nothing was being done to meet the Nazi-Fascist-Japanism threat to our internal security," Hoover testified before the House Committee on Un-American Activities March 26, 1947. "... When the time came to act the FBI was fully prepared to carry out its responsibilities. There was not one successful enemy-directed act of sabotage during the war and enemy espionage was kept under complete control."

There were criticisms alleging violations

of civil liberties, among other things. Morris L. Ernst, counsel for the American Civil Liberties Union, wrote a few years later, however, that although he was the lawyer for some suspected subversives (subsequently acquitted) who were rounded up after Pearl Harbor, "I must admit that Mr. Hoover had a justification in picking up my clients; there was cause for suspicion, and no injustice was done." (For additional Ernst views, see box p. 10.)

Hoover afterward told of another aspect of the FBI's post-Pearl Harbor activities:

"For more than two years the FBI had found that enemy spying in the United States tied in closely with Axis activities among sister republics to the south. When advised of the information revealed by FBI investigations in the United States, South American countries enthusiastically agreed to cooperate. Many republics asked for FBI liaison agents to work with their own police and intelligence forces." In 1947 Congress established the Central Intelligence Agency, which has taken responsibility for intelligence activities outside the United States.

In the quarter century since World War II ended, two developments have occupied much of the FBI's attention and resources: crime and Communist activity. Hoover has said repeatedly that both of them constitute a major danger to Americans' personal freedom.

HOOVER AND CRIME

Hoover saw corruption among public officials at close quarters early in his career. His war with lawbreakers has continued ever since.

Through the years he has watched the rates of reported crime rocket ever higher, to the point that he says crime and related factors threaten the Republic's survival. While providing the investigative resources for Justice Department officials to make policy decisions on, Hoover has come, through the years, to view his position as an educational medium by which to inform the people of factors he deems important to their welfare. More than any other public official in modern times, Hoover has issued a steady series of warnings, reports and commentaries based on his agency's findings, many of them sharply critical of what he sees as shortcomings in the American process. In doing so he has stepped on many toes.

Twenty-five years ago Hoover was predicting alarming lawlessness ahead unless drastic changes were made, particularly by parents in raising their children. He cited rising juvenile delinquency during World War II and noted that young offenders would become the adult offenders of future years.

He was co-author of an article in *Woman's Home Companion*, January 1944, entitled "Mothers . . . Our Only Hope," which said that what the country was up against was "not juvenile delinquency but adult delinquency." He said, "Adult delinquency on a nationwide scale preceded Pearl Harbor by at least two generations."

The next year, *The Rotarian* published a Hoover article captioned, "There Will Be a Postwar Crime Wave Unless—It's Blocked by Direct Action Sparked by a Revival of Some Old-Fashioned Virtues." It began:

"Like the sulphurous lava which boils beneath a slumbering volcano—such is the status of crime in America today." Noting "a tremendous increase in juvenile crime since the outbreak of the war," Hoover said the problem "has a very definite relation to the problem of crime in the future."

Moral deterioration

Hoover has viewed crime as indicative of broader and deeper ailments among Americans, of failure of large numbers to meet their responsibilities as parents and citizens. On Feb. 5, 1959, for example, he told a House Appropriations subcommittee that crime was

"a continuous, increasing menace, growing alarmingly faster than the population of the country." He said:

" . . . Basically, the present increase in criminal activity reflects a moral deterioration among vast segments of our population. Not only does this moral deterioration exist within the criminal element itself, but it also has corrupted millions of other American citizens who obey the law themselves yet who passively tolerate immorality and disrespect for authority within their communities."

The crime increase, Hoover said, "clearly indicates that growing numbers of our citizens have been afflicted by a sickness which I call the 'decadence disease.' Its symptoms are lethargy, self-indulgence, and the principle of pleasure before duty."

A year later, on Feb. 8, 1960, Hoover again spoke of "moral deterioration among growing segments of our population." He suggested at an Appropriations Committee hearing that this was reflected not only in overt crime "but also in the willingness of many law-abiding Americans to compromise their ideals if an easy dollar can be made."

Hoover testified April 17, 1969, that the crime problem "now has greater significance than at any time in our history. . . . Crime has reached such proportions that morality, integrity, law and order and other cherished principles of this country's great heritage are fighting for their very survival in many communities today. . . . We must not be deluded by those who resort to academic and irrelevant smokescreens in an attempt to explain away the basic crime problem."

Solutions

Hoover summed up his views on how to stem the rapid growth of crime, so far as the criminal justice aspects are concerned, when he told a House Appropriations Committee hearing Feb. 23, 1968:

"I have always said there are three factors I believe that will put a brake on crime: First, prompt apprehension; second, prompt trials and elimination of delays such as postponements and plea bargaining; and third, substantial sentences commensurate with the type of crime committed. . . .

" . . . Strict impartial law enforcement coupled with the elimination of crime's huge profits and soft justice most certainly are immediate factors which I and many others believe can lead to a reduction in our spiraling volume of crime. And by justice I mean that type of justice which keeps the balance true and affords the law-abiding public an even break."

Hoover has resisted proposals to make federal forces responsible for enforcing the law at state and local levels. "Local law enforcement represents this country's first line of defense in its efforts to control crime since the crime problem has its roots and draws its vitality at the local community level. This is where the war against crime must be won" he said in 1969.

At the same time, the FBI Academy maintains a steady and expanding program of training local police officials, and the resources of the FBI laboratory, fingerprinting files and criminal records facilities are among the services made available to police throughout the country.

The FBI director has promised no magic sesame in conquering dishonesty in public office where federal law violations are not a factor. Here again he places the primary responsibility on the local citizens. "There is a complacency at the adult level of accepting too freely and too easily corruption, graft, and matters of that kind," Hoover said at the 1960 Congressional hearing. "Many citizens come to see me and want to know whether something can't be done to clean up the community from which they come. I say, 'That matter does not fall within federal jurisdiction. It is up to the state or local au-

thorities. What you ought to do is go back and elect honest and efficient men to public office.'

"The answer invariably received is, 'We don't want to get mixed up in politics.' No community gets any better law enforcement than it deserves or it wants. The citizen must take an active part in local civic affairs and keep the spotlight of publicity on the activities of their community officials."

Parole abuses

As the most prestigious spokesman for professional law enforcement people, the FBI director has for years sharply criticized what he calls abuses in the parole and probation system. In 1939 he said, "It is time that sound, practical, business-like methods supersede the whims of the gushing, well-wishing, mawkish sentimentalist." He has spoken with equal bluntness many times since.

Hoover once put his position this way: "I am unalterably opposed to abuses in our system of parole, probation and other forms of clemency which result in repeated parole, probation, or other clemency being granted to those who give no indication of reformation."

In 1959, Hoover told a House committee that 93 of the 110 criminals listed among the FBI's "10 most wanted fugitives" since March 1950 had received parole, probation or other forms of clemency. "The validity of the principle of parole, probation, and other forms of clemency is not a question in issue" Hoover said. "I want to make that very clear. Whenever I make any statement criticizing the administration of clemency procedures, I am charged with being opposed to those principles rather than the maladministration on the part of those in charge of the programs."

As the years passed without appreciable results, Hoover continued to hammer on the need for clemency reforms, often under questioning by Members of Congress during his annual or semiannual trips to Capitol Hill. On Feb. 10, 1966, Hoover testified to a House group that there seemed to exist "a new privileged class in America—the repeating offender." He said that "terror-stricken crime victims must often wonder, when they hear the ceaseless clamor for unlimited concern for the rights of criminals, whether they too have any civil rights."

Hoover told Congressmen in April 1969 that of the first 300 individuals named on the "10 most wanted" lists, 234 had received some form of judicial leniency. "The growing call for recognition of the rights of our law-abiding majority has become a clamor," he said. "Our citizens have simply become overwhelmed with what they consider unwarranted concern with the rights of repeating offenders. They demand a fair share of regard for the security of their families, themselves and their homes."

Hoover's statements on this subject, as on some others, awakened echoes of the viewpoint expressed late in life by Chief Justice Stone, whom Hoover called the father of the FBI. The late Chief Justice, upon receiving an honorary degree from Yeshiva College in New York on May 23, 1944, said: ". . . mankind, despite its long and painful struggle up from barbarism, is not yet ready to accept in its fullness the ultimate truth that there can be no civilized society, there can be no peace or happiness among men, without freedom of the spirit and of the mind for all men—and I may say also, unless we preserve intact the capacity for righteous indignation at every form of cruelty and injustice, and the urge to give vigorous expression to it."

HOOVER AND COMMUNISM

Hoover's war with Communism opened in 1919, when the Communists were tightening their grip on Russia. An editor's note in his latest book on the subject, *J. Edgar Hoover on Communism* published in 1969, com-

ments: "Even after 50 years, the battle is not over."

As a young attorney in the Justice Department, Hoover was assigned after World War I to prepare a legal brief on the new Community party and Communist Labor party in the United States. After a detailed study of documents and activities, Hoover submitted to the Attorney General a brief in which he concluded: "These doctrines threaten the happiness of the community, the safety of every individual, and the continuance of every home and fireside. They would destroy the peace of the country and thrust it into a condition of anarchy and lawlessness and immorality that passes imagination."

Recalling that incident in *Masters of Deceit*, first published in 1958, the FBI Director said: "Today, as I write these words, my conclusions of 1919 remain the same. Communism is the major menace of our time. Today, it threatens the very existence of our Western civilization . . .

" . . . There is no doubt that America is now the prime target of international communism."

As the man chiefly responsible for investigating internal threats over a half century, Hoover reiterated in his 1969 book, as he has elsewhere: "America remains the primary target of international communism, as it has been for over fifty years."

Hoover's repeated statements on subversion and espionage have placed him in opposition to persons who contend that the domestic Communist threat has long been exaggerated. Nevertheless, he has consistently received unswerving support from Congress, Presidents and the public. Former President Eisenhower wrote in *Mandate for Change*, concerning his selections of Cabinet members and other officials as he prepared to take office in 1953:

"And here I digress long enough to say that there had come to my ears during this interregnum a story to the effect that J. Edgar Hoover, head of the FBI, had been out of favor in Washington. Such was my respect for him that I invited him to a meeting, my only purpose being to assure him that I wanted him in government as long as I might be there and that in the performance of his duties he would have the complete support of my office." The period was one when public feelings were running high amid controversy involving Sen. Joseph M. McCarthy (R. Wis.), among others.

A chronicle of the FBI's role in what Hoover has called a war would constitute a sizable section of contemporary American history. It would be studded with names that made the front pages in their day—Alger Hiss, Whitaker Chambers, Elizabeth Bentley, Harry Dexter White and a large number of others.

It would tell of controversy among Americans over loyalty checks and of the prolonged struggles in the Legislative, Executive and Judicial Branches over Communist registration legislation and other attempts to cope with what Americans found an unfamiliar type of assault. It would deal with conflicts in organized labor, which resulted in expulsion of some unions from the CIO on grounds of Communist infiltration or domination, and with similar conflicts within the motion picture industry. (For discussions of the subject centering around Congressional investigations, see *Congress and the Nation*, Vol. I, Chap. 17.)

The chronicle would deal with these and more. As Hoover had suggested in his original brief, the controversy wrought by doctrines of Marxism-Leninism and attempts to deal with them did indeed destroy the peace of some sectors of the country. Disagreements in high places—in the White House, on the question of whether the Communist problem was a "red herring," and in the Supreme Court, concerning the constitutionality of

various approaches—reflected the controversy among the American people. Some persons would make accusations involving such prominent figures as Mr. Eisenhower.

In the sometimes raging public debate from World War II on, Hoover, in addition to his investigative tasks, which were necessarily secret for long periods:

Issued many statements and discussions setting forth the facts on Communism within the United States as he and his colleagues saw them.

Repeatedly stressed the virtues of a positive rather than a negative response to the threat of totalitarianism from any quarter.

Struck with equal sharpness at extremists on the right and the left.

Attacks responses

Among Hoover's foes was *The Nation*, which published two anonymous articles in July 1943, headed "Washington Gestapo." The writer called World War II inquiries into federal employees' loyalty "an obscene attack on the elemental decencies. President Roosevelt himself could not qualify for work in a war agency. Did he not entertain the Soviet Premier, Molotov, in the White House?" Attacking the FBI and the Civil Service Commission, the articles added, "Actually, the investigative agencies work hand in hand with each other and the witch-hunting committees of Congress." And, the writer added, "J. Edgar Hoover . . . has a long record of hostility to Negroes." Other critics made similar charges.

Hoover has told Congressional committees many times essentially what he wrote in *The FBI Story* foreword: ". . . We neither evaluate the results of our investigations nor make recommendations. We do not inject ourselves into the administrative operations of other agencies of government by saying who is loyal and who is not loyal or who is a security risk or who is suitable for service in the federal government." Hoover has denied charges of racial bias.

On May 3, 1946, the House approved a raise in Hoover's salary to \$14,000, just under the Attorney General's \$15,000. Rep. John J. McCormack (D Mass.), then Majority Leader, said the action "will constitute an answer to the unfair critics of this great man, and to show that in this body he has friends." The pages of the *Congressional Record* through the years contain many similar comments regarding Hoover.

The FBI director told the House Committee on Un-American Activities on March 26, 1947: "Anyone who opposes the American Communist is at once branded as a 'disrupter,' a 'Fascist,' a 'Red baiter,' or a 'Hitlerite,' and becomes the object of a systematic campaign of character assassination. This is easily understood because the basic tactics of the Communist Party are deceit and trickery. . . . The best antidote to Communism is vigorous, intelligent, old-fashioned Americanism with eternal vigilance. . . . As Americans, our most effective defense is a workable democracy that guarantees and preserves our cherished freedoms." Hoover has made clear on various occasions that he does not consider all criticism as stemming from suspect sources.

Among the Committee members present that March 26 was Rep. Richard M. Nixon (R Calif. 1947-1950). The next year Nixon played a key role in breaking the Hiss case, which ended in Hiss' conviction and imprisonment. The friendly relationship formed in the 1940s between the young Representative and Hoover has endured ever since. (For details on Hiss case, see *Congress and the Nation* Vol. I, p. 1694.)

New duties

The atomic era added new duties to the FBI. In the Atomic Energy Act of 1946, Congress specified that violations of the Act should be investigated by the FBI and provided that except in emergencies the Atomic

Energy Commission should not employ anyone "until the Federal Bureau of Investigation shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual. . . ."

The FBI refers today to the theft of U.S. atomic bomb secrets as "the crime of the century." Hoover was a witness at a Senate Appropriations Committee hearing Feb. 3, 1950, the day the British government announced the arrest of Klaus Fuchs, one of its top atomic scientists. "Notwithstanding the statements of some individuals in this country that we are a Gestapo and merely trying to be a 'thought' police, Dr. Fuchs would not have been apprehended but for the investigative work of the FBI," Hoover said.

Fuchs pleaded guilty to charges in connection with the passing of atomic secrets to the Soviet Union. The action dated back to 1943 and 1944. Subsequently several Americans were arrested and convicted in the case. (*Congress and the Nation* Vol. I, 277.)

The Joint Congressional Committee on Atomic Energy said afterward: "It is hardly an exaggeration to say that Fuchs alone has influenced the safety of more people and accomplished greater damage than any other spy not only in the history of the United States but in the history of nations."

Hoover told a House Appropriations Committee hearing Feb. 23, 1968: "Soviet policy as to world espionage has remained essentially unchanged throughout the history of the Soviet Union. Although the names of the Soviet intelligence services differ today from what they were 20 years ago when Joseph Stalin was Premier, the objective of world conquest by Communism has never wavered. The change over the years has been not a change in objective but a steady intensification of the effort to reach that objective, the destruction of a capitalistic country. . . ."

Hoover touched on a point he has discussed on other occasions: ". . . There is a growing apathetic attitude toward Communism, its danger to this country and also toward the activities of the Soviet Government. This is not a question of supposition but it is a fact. We know the people who are threats to our country, what they are doing in this country and what their goals are."

In his latest of several books on Communism, Hoover said: "To the hard-core Marxists in America, the 'new style' program is not designed to promote legitimate reforms in society. Rather, Party's post-Stalinist format is to create conditions which, sooner or later, will bring about a communist transformation in our capitalist-democratic society. . . ."

"Communism is a totalitarian philosophy which embraces all phases of human life: education, art, literature, the press, etc. It is all-encompassing. . . ."

"In the United States, no indication is apparent that communism has changed even in the slightest from its historic Marxist-Leninist core of a materialist atheistic conspiracy dedicated to overthrowing the institutions of our society. Communism is not, as some claim, becoming more democratic through the passage of time."

Hoover has come out as strongly against what he considers threats from ultraconservative sources as against ultraliberal sources. ". . . There is as much danger in moving too far to the 'right' as there is in swinging too far to the 'left,'" he said in *Newsweek* June 9, 1947. "There is little choice between Fascism and Communism. Both are totalitarian, anti-democratic and godless. . . ." In that article he said of the House Committee on Un-American Activities, which went through much criticism throughout its existence: "As this committee fulfills its obligation of public disclosure of facts it is worthy of the support of loyal, patriotic Americans." In *The American Magazine*, October 1954, Hoover wrote in an article entitled "The Communists Are After Our

Minds": "... False accusations and careless insinuations can do more to destroy our way of life than to preserve it."

When he appeared on May 14, 1964, before the Warren Commission investigating the assassination of President John F. Kennedy, Hoover was asked to comment on a published item alleging that the late President was a Communist agent. Hoover replied:

"I think the extreme right is just as much a danger to the freedom of this country as the extreme left. There are groups, organizations, and individuals on the extreme right who make these very violent statements, allegations that General Eisenhower was a Communist, disparaging references to the Chief Justice and at the other end of the spectrum you have these leftists who make wild statements charging almost anybody with being a Fascist or belonging to some of these so-called extreme right societies. Now, I have felt, and I have said publicly in speeches, that they are just as much a danger, at either end of the spectrum. They don't deal with facts. Anybody who will allege that General Eisenhower was a Communist agent, has something wrong with him."

Positive Approach. While he has not hesitated to speak in the strongest terms about those he considers beyond the pale at both ends of the political spectrum, Hoover has consistently and repeatedly emphasized an affirmative stance as Americans' proper defense against inroads by the Communists. On such occasions his convictions as a 33rd-degree Mason have come into evidence. Typical of Hoover's advice on these lines was that which he gave Nov. 13, 1954, upon receiving the Cardinal Gibbons award from Catholic University alumni in Washington, D.C.:

"Real security in the final analysis rests within the hearts and minds of all our people. It must be directed toward the common goal: the general welfare of all people. Real security must start in the home where parents teach the fundamental lessons of common decency—the virtues of thrift, temperance, tolerance, the dignity of hard work, respect for the rights of others and, above all, the fundamental of all life: God has created, God rules and God can destroy. . . .

"What we need most in this country are the things unseen—spiritual development, moral power and character. There can be no real or complete education without the inculcation of moral principles."

Ten years later he wrote in the *Harvard Business Review*, January-February 1964: "Our approach toward communism must not be negative or defeatist. We are against communism, but that is not enough. We must stand for something—the moral and spiritual forces which make for decency, honesty and understanding. These ideals are what give strength to America."

Hoover has received cooperation from some national organizations in his efforts to circulate information concerning the goals, techniques and doctrines of the Communist movement in this country. Among the foremost organizations is the American Legion. Cartha D. DeLoach, an assistant to the director who is among those mentioned prominently as a possible successor to Hoover, was national vice commander of the Legion in 1959 and since then has been chairman of its national public relations commission.

Hoover concluded a chapter of his own *Masters of Deceit* by quoting from Don Whitehead's *The FBI Story*. Hoover said Whitehead spoke "most accurately" in saying:

"The top command of the FBI have no illusions that communism can be destroyed in the United States by the investigation, prosecution and conviction of Communist Party leaders. . . .

"The FBI knows that the bigger job lies with the free world's intellectuals—the

philosophers, the thinkers wherever they may be, the professors and scientists and scholars and students. These people who think, the intellectuals if you please, are the ones who can and must convince men that communism is evil. The world's intellectuals themselves must see that communism is the deadliest enemy that intellectualism and liberalism ever had. They must be as willing to dedicate themselves to this cause as the Communists have been to dedicate themselves to their cause."

THE FBI TODAY

The Federal Bureau of Investigation has grown from its unimpressive beginnings into what many persons call history's greatest investigative agency. Of more than 17,000 authorized employees for 1970, some 7,000 are special agents. The rest are mostly clerical staff. Though this is far larger than when Hoover took over in 1924, the agent force is smaller than some city police forces.

Many new responsibilities have been added to the agency over the years, making growth inevitable. Criticized by some persons on grounds of "empire-building," Hoover told a House Appropriations Committee hearing Jan. 24, 1964, concerning a proposal to move narcotics jurisdiction to the Justice Department, that the FBI could handle the additional work technically. He added, however:

"But I am against, and have been for many years, the growth of the FBI. I think we are entirely too big today, bigger than we should be. I would have liked to see the FBI remain small; but that has been impossible because Congress has yearly enacted legislation expanding the investigative jurisdiction of the Bureau."

Over the years, Hoover has insisted on keeping the FBI—both as an institution and through its individual personnel—above suspicion and free from outside influences. He will not tolerate, either from his employees or from the institution itself, deviation from the standards laid down. This has meant a steady effort against varied pressures. It has also produced criticism.

"In the FBI our objective in any investigation is to secure the facts which will establish the truth or falsity of a complaint or allegation," Hoover wrote in *Masters of Deceit*. "We do not evaluate nor do we make recommendations for a course of action as to whether a man should be prosecuted, hired, or removed from a job. The FBI is strictly a fact-gathering agency, responsible, in turn, to the Attorney General, the President, the Congress, and, in the last analysis, to the American people. The investigative and adjudicatory processes simply do not belong in the same organization."

Men of the FBI

The future of the FBI rests with the men who carry out its tasks. Hoover has insisted on rigid discipline. The absence of scandal that has characterized the agency is a measure of his success in imbuing his force with the spirit symbolized on the FBI's blue and gold seal in the words "Fidelity, Bravery, Integrity."

In addition to careful screening of recruits from applicants required to meet high educational and character standards, the new agents are put through 14 weeks of training.

"As regards appearance, Mr. Congressman, I certainly would not want to have any of the beatniks with long sideburns and beards as employees in the Bureau," Hoover told a House subcommittee Feb. 10, 1966. Agents must deal with all kinds of people, he said. They have to sell themselves to them to get their confidence to obtain the information that they need."

Hoover said that the FBI cooperated with the television show "The FBI," and he took note of the public image portrayed by Efrem Zimbalist Jr., the inspector. "I want our special agents to live up to that image," Hoover said.

Six years earlier, the FBI director had told the subcommittee: "Youth must have its hero. They should have a decent hero, like a famous athletic star or public figure, instead of having some hoodlum like a Jesse James or someone of that type."

The *Los Angeles Times* reported in 1967 that the advertising agency for the TV show's sponsor was J. Walter Thompson. The agency has provided several of President Nixon's top aides.

"Our investigative staff represents a cross section of the entire country," Hoover said in 1959. "Those now in the service have attended over 800 colleges and universities. They come from all walks of life. They have made a living, or acquired some degree of proficiency, in 181 businesses and professions, 55 trades or crafts, and 34 separate fields of scientific endeavor."

Twenty-three FBI agents have been killed in line of duty. Since the list of the top 10 most wanted criminals began in 1950, 284 persons on it have been captured. Through the years, the FBI has marked up a high percentage of convictions in cases based on its investigations, a fact that spokesmen cite as indicating thorough and careful work. In fiscal 1968, convictions were obtained against 97.3 percent of the persons brought to trial during the year. Of the 13,059 convictions that year, 11,190 (85.7 percent) were on guilty pleas; the rest followed trials before judge or jury. These percentages were typical of other years.

Hoover asks no more of his men than he does of himself. His dedication to his job is legendary. A bachelor, he was once described by an assistant director as "married to his job," with his employees to some extent taking the place of family. As often as two or three times a day, Hoover recognizes employment anniversaries of 10 or 20 years or longer by greeting agents or clerks in his office together with their families, posing for pictures with them and presenting them with a service key.

"Mr. Hoover is a very warm individual in spite of the impressions you may get from the printed page," said Louis B. Nichols, former assistant to the director. Hoover is godfather of Nichols' son, John Edgar, born in 1939. "He has a great concern for people," Nichols said of Hoover. "He does a lot of things for people that nobody hears about, because that is part of his markup, the way he is." If someone in the Bureau gets sick, Hoover takes steps to see he is taken care of, both Nichols and others say. "If he thinks somebody is suffering from overwork, he'll order them to take a vacation," Nichols added.

Hoover joshed for their paunchiness an audience of 1,700 at the 1967 annual convention of the Society of Former Special Agents of the FBI. "While I recognize many of the faces, I don't recognize the size of the bodies," he was quoted as saying.

About 62 percent of the special agent staff on the rolls April 1, 1969, had been with the FBI for 10 years or longer. Of 15,811 employees at the time, 6,293, or 40 percent, had 10 years of service or more.

Some who depart move into top positions. Nichols became a senior executive of Schenley Industries Inc., after retiring from the FBI; he served as one of six senior advisers to President Nixon in his 1968 campaign. Rep. William T. Cahill (R-N.J.), an FBI agent in 1937-38, was elected Governor of New Jersey Nov. 4. (See box p. 8.)

Murphy of California told the Senate in 1968 that one thing that is overlooked "is the number of times that this great man, Mr. Hoover, has been offered opportunities to leave his position and go into industry, to make his fortune, to fill his bank account with gold, if you will."

FBI National Academy

The academy at Quantico Marine Base in Virginia is being greatly enlarged. Congress

in the Omnibus Crime Control and Safe Streets Act of 1968 authorized expansion of capacity from 200 graduates a year to 2,000 a year, plus short courses for up to 1,000 other police officers. Since its founding in 1935, the academy had graduated 5,435 persons through 1968, including 161 from 38 foreign countries.

Hoover told Congress that of the academy graduates who were active in law enforcement in 1969, nearly 28 percent were executive heads of their agencies. "The FBI National Academy has been a vital and dynamic force in the law enforcement profession and today stands as the West Point of law enforcement training," he said.

Identification Bureau

From the original 800,000 fingerprint cards, the Bureau's files have kept pace with population and crime growth. As of Jan. 1, 1969, the files contained 190,514,720 sets of fingerprints, representing an estimated 82,833,574 individuals. Of these, Hoover said, 17,777,268 persons were in the police files and 65,056,306 persons were in civil categories. By Dec. 10, 1969, the files had grown to 194,788,120 fingerprint cards.

FBI Laboratory

Scientific examinations by the FBI Laboratory climbed in number every year from 1950, reaching a record 342,690 in fiscal 1968. Service is provided free of charge to state and local law enforcement agencies and other U.S. Government agencies.

National Crime Information Center (NCIC)

The newest weapon developed by the FBI for use against criminals is a computer network. Hoover presented information to legislators in April 1969 that described the system as follows:

"One of the most important developments in the history of law enforcement, the NCIC provides a computerized index of information concerning crimes and criminals of nationwide interest. . . . Vital information can be obtained from the national index in a matter of seconds and made available to the police officer on the street."

The system has terminals serving law agencies in nearly all states and at the Royal Canadian Mounted Police headquarters at Ottawa.

The system contained 913,469 records by April 1, 1969. The FBI said it handles more than 33,000 messages a day, answering inquiries in an average of less than 10 seconds each.

FBI Building

A new FBI building is under construction on Pennsylvania Avenue near the Justice Department in Washington. When it is completed, Hoover said, FBI functions now carried on in eight different buildings will become centralized.

OUTLOOK

Hoover told a Senate Appropriations Subcommittee March 27, 1963, in discussing the FBI's expanding fingerprint files:

"Whenever a person dies or reaches the age of 75, we remove the print from our active records because by that time he is no longer considered active in the criminal field."

Pressed to amplify, he explained that the prints were not destroyed but were placed in a separate file. "By the time an individual who has been in criminal activity becomes 75 years of age his activities are pretty well circumscribed," Hoover said.

Now reaching that age himself, Hoover has drawn criticism for staying in office. When President-elect Nixon announced in December 1968 that Hoover would stay on, *The New York Times* said editorially:

"Like time and the river, J. Edgar Hoover is apparently destined to go on forever." The newspaper added, "Mr. Hoover has outlived his usefulness, and often exceeded his authority." He had acted, the editorial said, as "a law unto himself."

Many other Americans differ with those views and concur with the House resolution that expressed the hope in 1964 that he would continue as director "for many years to come." Rep. John J. Rooney (D N.Y.), chairman of the House Appropriations Committee welcomed Hoover to a 1966 hearing as "the distinguished and indestructible director" of the FBI. He told Hoover two years earlier that "we are indeed proud of the fact that we have you as one of the greatest administrators in government." Both the House and the Senate have consistently given the FBI the funds it has asked for.

Rep. Prince H. Preston Jr. (D Ga. 1947-1961) concluded a complimentary exchange with Hoover at an Appropriations Committee hearing Feb. 8, 1960, by saying, "I think that in the Congress the Federal Bureau of Investigation probably is held in the highest regard by the largest number of Members of any agency in Government." Expressing agreement were Representatives Robert L. F. Sikes (D Fla.), Frank T. Bow (R Ohio) and Glenard P. Lipscomb (R Calif.).

In the 1968 Presidential campaign, Democratic primary candidate Eugene J. McCarthy called for Hoover's retirement. McCarthy said that he felt the FBI, along with the Selective Service, was among institutions that had gone beyond political control and that he believed Hoover had "independent authority." McCarthy said Hoover had been in office so long that he tended to regard the FBI "as a kind of fief."

One of Hoover's relatively few open critics, Fred J. Cook, wrote in *The FBI Nobody Knows* (1964): "The greatest sin of Hoover and the FBI is that, by a monumental propaganda effort, they have made themselves sacrosanct. Once a man, an institution, is enshrined on a pedestal above the law, impervious to criticism, democracy loses the fine edge of its freedom and takes a long stride toward authoritarianism." Cook challenged the FBI's performance in the Hiss case, and atomic thefts case, the 1960 San Francisco rioting during a House Committee on Un-American Activities hearing, and in the field of civil rights, in which Cook contended that "the vaunted FBI has been a complete and abject failure."

In 1965 President Johnson said on national television, in announcing the arrests of four Ku Klux Klan members in Alabama in the slaying of Mrs. Viola Liuzzo March 25, 1965: "I cannot express myself too strongly in praising Mr. Hoover and the men of the FBI for their excellent work in handling this investigation. It is in keeping with the dedicated approach that this tireless organization has shown throughout the turbulent era of civil rights controversies."

Books and counter-books have been published on these and other issues, examining criticisms in detail and presenting the rebuttals. Both Whitehead and the Overstreets went into many of the charges that have been leveled against the Bureau over the years and presented their findings.

"A person who tries to decide between Hoover's warnings of what could make the FBI into a police-state instrument and his critics' charges that it is such an instrument ends up dealing with relative degrees of convincings, not with absolute proofs," the Overstreets wrote.

Whitehead said that "there is one condition under which the FBI could become a 'Gestapo.' This could happen if the traditional checks and restraints were corrupted or eliminated by a dictatorial government, and the FBI was then used as a political tool." Hoover himself said in the foreword: "The FBI should never be permitted to become an independent agency, operating without the checks and controls under which it now operates."

The Overstreets listed among safeguards built into the FBI by Hoover and his asso-

ciates a standard of professional conduct, the chain-of-command structure and the stabilizing presence of a force of dedicated agents with 10 years or more of service. The Overstreets, too, had a warning:

"During Hoover's directorship, we have all been oddly protected by the 'rhinoceros' skin which he says he has had to develop. The post-Hoover Bureau could promptly become a menace if its Director were to let any pressure group influence his decisions. It would become intolerable if he were either to ally himself with any one cause or to let the Bureau be turned into a prize to be contended for by advocates of rival causes."

Hoover told a House group in 1964: "I realize the brickbats come, but I judge the source from which they come. Many times criticisms come from sources and individuals who, had they not criticized us, would have caused me great concern."

In Mr. Nixon, Hoover has a President with whom he has enjoyed a long and comfortable relationship. The President dined at Hoover's house in 1969. Ralph de Toledano, in a 1960 biography, *Nixon*, said Mr. Nixon was once interested in joining the FBI. Mr. Nixon took and passed the FBI examination, the author said, but decided against joining if accepted. Toledano added: "Hoover nevertheless likes to consider Nixon 'one of my boys,' a designation, Nixon says, 'which I am very proud to bear.'"

The FBI director's relations with Attorney General John N. Mitchell, who has spoken out for a stronger law enforcement approach, are said to be far more congenial than with some earlier Attorneys General, including Mitchell's predecessor, Ramsey Clark.

Hoover wrote in 1956 that he had set the policy in 1924 of making promotions from within the Bureau. "Every person serving today in an executive or supervisory capacity in the field or in Washington has come up the line from the staff; it is to be hoped that it will always be so," Hoover wrote in Whitehead's book, which he praised for its "accurate portrayal" of the FBI's record.

Nichols, long a top assistant to Hoover, left the Bureau in 1957 to enter private industry. He said in a 1969 interview that he thinks any successor to Hoover should come from within the FBI ranks. He expressed the hope that it would be a long time before such a move became necessary. Nichols, himself figuring in speculation on potential successors, rules himself out. He said a 1968 legislative proposal by Rep. H. Allen Smith (R. Calif.), a former FBI agent, providing that a future FBI director should have spent seven of the past 10 years in the FBI, had considerable merit. The bill was not acted on.

Hoover has said there are a number of officials in the FBI who could take over his job successfully and that he hopes the next director will be selected from within.

Nichols said "The Bureau has come of age" and is the kind of organization in which "you wouldn't think of going outside" for top personnel. The FBI is extremely complicated, he added, "and for a perfect stranger to come in, it would be difficult."

MR. FBI

Americans for two generations have spoken of J. Edgar Hoover and the Federal Bureau of Investigation in a single breath and regarded them as a single entity. To friends and foes alike, Hoover has been "Mr. FBI."

That long identification must inevitably undergo a change sooner or later. Already retained indefinitely by two Presidents beyond the mandatory Government retirement age of 70, Hoover will be 75 on Jan. 1.

Reports of his imminent retirement have circulated for more than a decade, becoming more persistent with time. They have always failed to materialize, to the pleasure of his innumerable supporters and the irritation of his critics.

Hoover now says that he has no intention

of retiring so long as his health continues to be excellent and that he has no ambition other than to continue serving in his present capacity.

Today, as a result of the 1968 Presidential election, operating conditions for the veteran FBI director are the most compatible in years—a factor that could encourage him to continue in his post. At the same time, he has the knowledge that when the time comes for a successor to be named, the appointment will be made by the President himself with the advice and consent of the Senate. Until Congress enacted that provision in 1968, the next FBI director would have been appointed by the Attorney General without Senate confirmation.

FBI RESPONSIBILITIES

"The Director of the Federal Bureau of Investigation has charge of investigating all violations of Federal laws with the exception of those which have been assigned by legislative enactment or otherwise to some other Federal agency. The FBI has jurisdiction over some 180 investigative matters. Among the more important of these are espionage, sabotage, treason, and other subversive activities; kidnapping; extortion; bank robbery, burglary, and larceny; crimes on Government or Indian reservations; thefts of Government property; the Fugitive Felon Act; interstate transportation of stolen motor vehicles, aircraft, cattle, or property; interstate transmission or transportation of wagering information, gambling devices or paraphernalia; interstate travel in aid of racketeering; fraud against the Government; election law violations; civil rights matters; and assaulting or killing the President or a Federal officer.

"Counterfeiting, postal, customs, and internal revenue violations and illegal traffic in narcotic drugs are crimes handled by other Federal agencies."

(United States Government Organization Manual, 1969-70)

FBI AGENT QUALIFICATIONS

FBI Director J. Edgar Hoover introduced a memo at a House Appropriations hearing April 17, 1969, which he said set forth "qualifications a special agent applicant must have in order to receive an appointment." The memo said:

"Applicants for the position of special agent with the FBI must be male citizens of the United States, must have reached their 23rd but not their 41st birthday on the date the application is filed; be willing to serve where needed; must be graduates of State-accredited resident law schools or graduates of a resident 4-year college with a major in accounting and at least 3 years of practical accounting and/or auditing experience. In addition, the Bureau is presently considering for the special agent position applicants possessing a 4-year resident college degree with a major in a physical science, fluency in a language for which the Bureau has a need, or 3 years of substantial business or professional experience.

"Applicants must be in excellent physical condition and must have no defects which would interfere with their use of firearms or with their participation in raids, dangerous assignments, or defensive tactics. Successful applicants are thoroughly investigated prior to appointments."

ROGERS' STATEMENT

William P. Rogers, President Nixon's Secretary of State, was Attorney General under President Eisenhower. Testifying before a House Appropriations Subcommittee Feb. 3, 1960, Attorney General Rogers said in response to a question:

"... I am obviously concerned about internal security but I think that the FBI has done such an excellent job over the years in their intelligence activities that I do not know of any way to improve it, frankly. ... I do not know how you could improve the operations of the FBI in internal security."

DON'T SHOOT, G-MEN

Less than 19 months after the Lindbergh kidnapping vaulted the FBI from obscurity toward national prominence, a tense incidence stamped its agents with the nickname "G-men." Clubs of "Junior G-men" sprang up across the land in the gangster-ridden 1930's, encouraged by cereal box-top promotions; some of their alumni grew up to join the FBI.

The label caught the nation's fancy and did much to build the public image of the FBI and its chief as one big-name mobster after another fell before the blazing guns of the G-men in the months that followed. J. Edgar Hoover related the origin of the term in the *Tennessee Law Review* of June 1946:

"In the early morning hours of September 26, 1933, a small group of men surrounded a house in Memphis, Tennessee. In the house was George 'Machine-Gun' Kelly, late of Leavenworth Penitentiary. He was wanted by the FBI for kidnapping. For two months FBI agents had trailed the gangster and his wife, Kathryn Kelly. Quickly the men of the FBI, accompanied by local law enforcement officers, closed in around the house, and entered.

"We are Federal officers. . . . Come out with your hands up. . . ."

"Machine-Gun' Kelly stood cowering in a corner. His heavy face twitched as he gazed at the men before him. Reaching trembling hands up toward the ceiling he whimpered, 'Don't shoot, G-men; don't shoot!'

"That was the beginning of a new name for FBI agents. By the time Kelly had been convicted and had received his sentence of life imprisonment, the new nickname, an abbreviation of 'Government Men,' had taken hold throughout the underworld. Along the grapevine of the powerful empire of crime passed whispered words of warning about the 'G-Men.'"

HOUSE RESOLUTION ON HOOVER

The House of Representatives by unanimous voice vote on May 7, 1964, adopted a resolution (H. Res. 706) honoring J. Edgar Hoover on completion of 40 years as FBI director. It was submitted by Rep. Edwin D. Willis (D La. 1949-1969) on behalf of the Committee on Un-American Activities. It said:

"Whereas J. Edgar Hoover, in his position as Director of the Federal Bureau of Investigation since May 10, 1924, has compiled one of the most remarkable records of service to God and country in our Nation's history; and

"Whereas, throughout his tenure in office, J. Edgar Hoover has consistently displayed strong moral determination and great personal foresight in recognizing the threat and meeting the challenge of deadly enemies of American freedom, including the Soviet-trained and Soviet-directed leadership of the Communist Party, U.S.A.; and

"Whereas, under J. Edgar Hoover's brilliant administration, the Federal Bureau of Investigation has waged a fearless and unrelenting battle against America's criminal and subversive underworld while, at the same time, fully observing and protecting the rights and privileges guaranteed inhabitants of our country by the Constitution and laws of the United States; and

"Whereas J. Edgar Hoover and his Federal Bureau of Investigation associates have brought new standards of efficiency, integrity, and impartiality to the law enforcement profession and have truly earned the admiration and respect of all right-thinking citizens: Now, therefore, be it

"Resolved, That on this fortieth anniversary of his appointment as Director of the Federal Bureau of Investigation, the House of Representatives offers its congratulations and its gratitude to J. Edgar Hoover for his years of devoted service and expresses the hope that he will continue in his present office for many years to come."

CROSS-SECTION OF HOOVER'S WRITTEN, SPOKEN OPINIONS

For half of the 20th century, J. Edgar Hoover has held a vantage point at the center of the U.S. Government unequaled by any other individual in American history. From this perspective he has spoken out many times in speeches, articles, books, appearances before Congressional committees and in public statements. For years he has granted few interviews and held almost no press conferences. Some of his comments:

Revolution

"... the truly revolutionary force of history is not material power but the spirit of religion. The world today needs a true revolution of the fruitful spirit, not the futile sword. Hypocrisy, dishonesty, hatred, all these must be destroyed and man must rule by love, charity, and mercy." (*Masters of Deceit*, 1958)

Juvenile delinquency

"... If a child can be reached by the adults around him and fortified with the fundamental values of good citizenship, he will come through successfully in spite of adverse conditions that may surround him." (*The Rotarian*, April 1945)

"The present youth problem does not involve child pranksters and mischiefmakers. We can no longer afford to let 'tender age' make plunder into a trifling prank, reduce mayhem to a mischievous act, and pass off murder as a boyish misdemeanor or the act of an emotionally disturbed youth." (*House Appropriations Committee hearing Feb. 5, 1959*)

Freedom

Hoover referred to "the disintegrating effect of self-indulgence, neglect of duty, and public lethargy in a nation of free men." He said these influences form "a common denominator" with enemies of the Republic.

"Who are these enemies of our Republic? They are the crime syndicates, the narcotics peddlers, the labor racketeers, the unscrupulous businessmen, the corrupt politicians, and all others who blatantly defy the laws of the land.

"They are the hatemongers and the false liberals who would subvert our Constitution and undermine our democratic processes in furtherance of their selfish ends.

"They are the Communists and other subversive elements who wave false banners of legitimacy and patriotism while relentlessly plotting to destroy our heritage of freedom." (*To Catholic Youth Organization, New York City, Nov. 16, 1963*)

Hatemongers

"Nowhere in recent months have our people faced a more explosive condition of shame and violence than among the hatemongers, the moral degenerates, the lunatic fringe and the other irrational fanatics who preach a doctrine of hostility toward their fellow man. This rabble has sown the dragon's teeth of malice and intimidation; and from the ground has sprung a series of hate-driven riots, bombings, and desecrations." (*Speech to Catholic Youth Organization*)

Communism

"I do not believe that any person who is a Communist has the right or should be allowed to teach in any school, private or public, for this reason: We talk a great deal about academic freedom and we believe it. When one follows the Communist line one is not free but is merely following the dictates of the Kremlin and is really restricted in his thinking." (*House Appropriations Committee hearing Feb. 8, 1960*)

The international Communist conspiracy is clearly the greatest menace free civilization has ever known. . . . The seriousness of the domestic threat from a Soviet-dominated Communist Party in the United States bears a relationship proportionate to the world threat posed by its masters in the Soviet Union and must be gauged accordingly. . . .

"Next to subversion itself, the greatest danger this country can face is an ever-growing national disregard for realities—evidenced by an attitude that our way of life is so well entrenched that nothing need be done to protect it." (Hearing Feb. 5, 1959.)

Sentences

"As to the effect of severe sentences, I am of the school of thought which believes that such sentences are a great deterrent in the commission of crime, particularly crimes of violence. . . . I do not believe in brutal punishment but I do believe the public is entitled to its right to exist and survive in our communities without fear of going into the streets at night. . . .

"I think the judges, of course, in considering the imposition of sentences, should weigh the rights of the defendant. The criminal is entitled to consideration, but the rights of society and those of the victims of vicious crimes are just as important, if not paramount to those of the criminal." (Hearing Feb. 8, 1960)

Obscenity

He spoke of "forces of evil" working to corrupt the morals of American youth. Nowhere is this fact more obvious than in the lewd films, obscene photographs, indecent magazines, and other forms of matter which can be found in community after community across the land." (Hearing Feb. 8, 1960)

Religion

"I have said many times that too many ministers preach at a level which is beyond the comprehension of many adults when they should get to a plain 'down to earth' level. We need more preachers in the ministry like Dr. Norman Vincent Peale, Bishop Fulton J. Sheen, Richard Cardinal Cushing and the late Rabbi Liebman, to preach sermons that are understood by all people. You cannot attract young people to church services if you are going to be up in the stratosphere when talking to them." (Hearing Feb. 8, 1960)

Campus disorders

"What is needed is more guts on the part of many presidents of the universities and colleges. . . . Many of the school administrators appear unable to distinguish between legitimate protest and unlawful acts and there are far too many bleeding hearts among them whose palliative attitude has served only to magnify the problem by encouraging the escalation of demands and further disorders." (House Appropriations Committee Hearing April 17, 1969)

APPROPRIATIONS AND PERSONNEL, FISCAL 1921-69

| | Appropriation ¹ | Personnel, ² special agents | Total |
|------|----------------------------|--|--------|
| 1921 | \$2,400,000 | | |
| 1922 | 2,000,000 | | |
| 1923 | 2,225,000 | | |
| 1924 | 2,245,000 | | |
| 1925 | 2,290,000 | | |
| 1926 | 2,294,500 | | |
| 1927 | 2,154,280 | | |
| 1928 | 2,250,000 | | |
| 1929 | 2,250,000 | | |
| 1930 | 2,307,720 | | |
| 1931 | 2,781,414 | | |
| 1932 | 2,978,520 | | |
| 1933 | 2,775,000 | | |
| 1934 | 3,022,348 | | |
| 1935 | 4,658,495 | | |
| 1936 | 5,100,000 | | |
| 1937 | 5,925,000 | | |
| 1938 | 6,223,000 | | |
| 1939 | 5,978,200 | 222 | 2,038 |
| 1940 | 8,775,000 | 996 | 2,489 |
| 1941 | 13,768,800 | 2,332 | 5,588 |
| 1942 | 21,950,000 | 3,605 | 10,019 |
| 1943 | 38,836,000 | 4,603 | 13,921 |
| 1944 | 42,768,000 | 4,853 | 14,300 |
| 1945 | 49,850,000 | 4,853 | 14,290 |
| 1946 | 36,977,939 | 3,159 | 8,758 |
| 1947 | 35,184,000 | 3,200 | 7,200 |
| 1948 | 42,500,000 | 4,674 | 11,556 |
| 1949 | 47,296,500 | 3,851 | 9,223 |

Footnotes at end of table.

APPROPRIATIONS AND PERSONNEL, FISCAL 1921-69—Continued

| | Appropriation ¹ | Personnel, ² special agents | Total |
|------|----------------------------|--|--------|
| 1950 | \$52,805,141 | 4,278 | 9,873 |
| 1951 | 63,400,000 | 5,141 | 11,771 |
| 1952 | 90,000,000 | 7,029 | 15,799 |
| 1953 | 70,254,000 | 5,379 | 12,717 |
| 1954 | 77,002,000 | 5,458 | 13,086 |
| 1955 | 78,282,000 | 5,458 | 13,086 |
| 1956 | 93,825,180 | 6,005 | 13,803 |
| 1957 | 95,510,000 | 6,005 | 13,748 |
| 1958 | 101,450,000 | 6,000 | 13,599 |
| 1959 | 112,111,000 | 6,000 | 13,599 |
| 1960 | 114,600,000 | 6,003 | 13,435 |
| 1961 | 118,000,000 | 5,885 | 13,504 |
| 1962 | 127,216,000 | 5,935 | 13,579 |
| 1963 | 136,200,000 | 5,967 | 13,728 |
| 1964 | 146,900,000 | 6,014 | 14,239 |
| 1965 | 150,445,000 | 6,014 | 14,239 |
| 1966 | 165,365,000 | 6,432 | 15,046 |
| 1967 | 175,465,000 | 6,532 | 15,211 |
| 1968 | 186,574,000 | 6,590 | 15,515 |
| 1969 | 219,670,000 | 6,825 | 16,484 |
| 1970 | 232,855,000 | | |

¹ Appropriations for some fiscal years include supplemental or deficiency appropriations. Available sources in some years exclude last-minute deficiency appropriations applying to the previous fiscal year.

² Complete personnel data for the 1921-38 period is not available from Congressional hearing sources or the FBI.

Source: Congressional Appropriations Committee hearings, fiscal 1922-70.

WELL-KNOWN FORMER FBI AGENTS

Senate

Thomas J. Dodd (D Conn.).

House of Representatives

Omar Burleson (D Texas).
William T. Cahill (R N.J.), Elected Governor of New Jersey Nov. 4, 1969.
Robert V. Denney (R Neb.).
Samuel L. Devine (R Ohio).
Ed Edmondson (D Okla.).
Don Edwards (D Calif.).
Lawrence J. Hogan (R Md.).
Wiley Mayne (R Iowa).
H. Allen Smith (R Calif.).
Wendell Wyatt (R Ore.).

Others

James J. Rowley, director, U.S. Secret Service.
Clarence M. Kelley, chief of police, Kansas City, Mo.
Robert E. Lee, Federal Communications Commissioner.
Harvey G. Foster, vice president, American Airlines.
Edward A. Tamm, judge, District of Columbia Court of Appeals.
Edmund L. McNamara, police commissioner, Boston, Mass.
Robert Floyd, former judge and former mayor of Miami, Fla.
Emmett C. McGaughey, member of Board of Police Commissioners, Los Angeles, Calif.
Joseph I. Wood, sheriff of Cook County, Illinois.
Lt. Gen. Joseph F. Carrell (ret.), former director of Defense Intelligence Agency.
John Bugas, former vice president, Ford Motor Company.

OFFICIALS AGE 75 OR OVER, AS OF JANUARY 1, 1970

Senate

Stephen M. Young (D Ohio), 80; 5/4/89.
Allen J. Ellender (D La.), 79; 9/24/90.
Spessard L. Holland (D Fla.), 77; 7/10/92.
George D. Aiken (R Vt.), 77; 8/20/92.

House of Representatives

William L. Dawson (D Ill.), 83; 4/26/86.
Emanuel Celler (D N.Y.), 81; 5/6/88.
George P. Miller (D Calif.), 78; 1/15/91.
John W. McCormack (D Mass.), 78; 12/21/91.
Wright Patman (D Texas), 76; 8/6/93.

Supreme Court

Hugo L. Black, Associate Justice, 83; 2/27/86.

Crime trend in the United States, 1968 versus 1967 calendar years

| | Total | Percent change |
|-----------------------|-------|-------------------|
| Murder | 17 | 14 |
| Forcible rape | 14 | 14 |
| Robbery | 29 | 29 |
| Aggravated assault | 12 | 12 |
| Burglary | 13 | 13 |
| Larceny \$50 and over | 21 | 21 |
| Auto theft | 18 | 18 |

Source: Hoover testimony April 17, 1969, before House Subcommittee on Appropriations.

ERNST COMMENTS

Morris L. Ernst, counsel for the American Civil Liberties Union, studied the FBI for more than a decade. He told his conclusions in "Why I No Longer Fear the FBI," published by *The Reader's Digest*, December 1950.

Ernst said his interest arose when he read in 1939 that J. Edgar Hoover had asked the Attorney General not to endorse a law that would legalize the free use of wire-tapping. Hoover said, "I do not wish to be the head of an organization of potential blackmailers."

His study since then, Ernst said, showed that "all the evidence indicates that the FBI as a matter of unvarying policy has played fair with criminals and suspects." Other excerpts from Ernst's article:

"A real 'smeat' campaign has been carried on against Hoover's work. Those who feared the bureau—as I once did—will be glad to know the facts. The FBI is unique in the history of national police. It has a magnificent record of respect for individual freedom. . . .

"Among liberals I am by no means alone in this opinion. A while ago Roger Baldwin, formerly director of the American Civil Liberties Union, wrote to J. Edgar Hoover.

"It seems to me that your bureau has accomplished an exceedingly difficult task with rare judicial sense."

CLARK VS. HOOVER ON CHICAGO

The following article, under the headline "Clash Over Violence," appeared in the Sept. 22, 1968, *New York Times*:

"The National Commission on the Causes and Prevention of Violence—appointed by President Johnson last June after the assassination of Senator Robert Kennedy—held its first working session last week. The 13-man commission, headed by Dr. Milton S. Eisenhower, heard two witnesses. FBI Director J. Edgar Hoover spoke of the violence at last month's Democratic National Convention in Chicago. Attorney General Ramsey Clark spoke of violence in general. Their views on the role of the police seemed to be in sharp conflict. Following are excerpts from their remarks.

Clark

"Experience to date shows crowds can be controlled without denying rights of speech and assembly. . . .

"Of all violence, police violence in excess of authority is the most dangerous. For who will protect the public when the police violate the law? . . .

"The clear offer of a fair and reasonable accommodation of requests to assemble and speak reduces the risk of violence. Careful distinction between nonviolent demonstrators acting within the law and those who commit violence, protecting one, arresting the other, is essential to avoid the involvement of the nonviolent in violence. An express mandate to the entire police complement to use the minimum force necessary to execute lawful orders, to refrain from use of excessive force must be understood by every officer.

"It is the duty of leadership and law enforcement to control violence, not cause it. To seek ways of relieving tension, not to look for a fight."

Hoover

"Months before the Democratic National Convention was held, authorities were fully aware that it was the target of disruption and violence on the part of dissident groups and individuals from all over the country.

"During the course of the convention, demonstrators taunted the police and subjected them to unbelievable abuse. Demonstrators called them 'pigs' and shouted obscenities at them, spit at them, and threw bags of excrement and urine and dangerous objects—such as golf balls with protruding nails—at them. Unruly and menacing mobs gathered, intent on marching to the International Amphitheatre and disrupting the convention.

"If it is true that some innocent people were the victims of unnecessary roughness on the part of the police, it is also true that the Chicago police and the National Guard were faced with vicious attacking mobs who gave them no alternative but to use force to prevent these mobs from accomplishing their destructive purposes."

APPOINTMENT OF NEXT DIRECTOR

The identity of J. Edgar Hoover's successor as FBI director has concerned Members of Congress and others for some time. Not unusual was this 1968 remark in the Senate by Sen. Harry F. Byrd Jr. (D.-Va.): "I doubt that any office in our Government can have such a great effect on the lives of individual citizens as that of the FBI director."

It required five years, three separate attempts in Congress and a sophisticated bit of legislative maneuvering to turn the position into a Presidential appointment subject to Senate confirmation. Congress amended the Omnibus Crime Control and Safe Streets Act of 1968 (PL 90-351) to make that provision for future FBI directors. Until then the director technically was appointed by the Attorney General, without need for Senate approval. (*Congress and the Nation* Vol. II p. 328)

The late Everett McKinley Dirksen (R.-Ill. 1950-1969), Senate Minority Leader, noted that the Senate had approved similar bills in 1963 and 1965 only to see them die in the House Judiciary Committee. As Dirksen put it, his 1965 measure (S. 313) "also went to the House Judiciary Committee, and it was referred to a subcommittee, the chairman of which was not exactly friendly to the idea. And, once more, this proposal foundered."

Rep. Emanuel Celler (D.-N.Y.), chairman of the House Judiciary Committee since 1949 except for a two-year break in the 1950s, also headed the Judiciary Subcommittee that left the bills unreported.

1968 action

On May 14, 1968, Sen. George Murphy (R.-Calif.) proposed the Senate confirmation requirement as an amendment to the big omnibus crime bill, the eventual product of an Administration measure of which President Johnson said in his Jan. 17, 1968, state of the Union message: "There is no more urgent business before this Congress than to pass the Safe Streets Act this year."

Dirksen told the Senate concerning the Murphy amendment: "By placing it in the bill, this proposal will not get lost in the House Committee on the Judiciary, where it has foundered twice, because the bill has got to go to the White House for signature. The President wants it." Dirksen added that the only task for proponents after Senate adoption this time was to prevent deletion of the amendment in House-Senate conference. Senate adoption was by a 72-0 roll-call vote.

The House considered the omnibus bill June 5 and 6, 1968, amid the trauma of the assassination of Sen. Robert F. Kennedy (D.-N.Y. 1965-1968). Celler sought to send the bill to conference, objecting to provisions

dealing with confessions, wiretapping and firearms. No opposition to the FBI amendment was expressed on the House floor. Though the Administration was believed almost certainly to favor a conference for purposes of making changes in the bill, the House rejected Celler's motion, 60-318, in the key roll-call vote. The bill became law with the amendment intact. (1968 *Almanac*, p. 232)

INTRODUCTION OF LEGISLATION TO PROTECT TAXPAYERS FROM HAVING THEIR TAX RETURNS USED FOR STATISTICAL COMPILATIONS

(Mr. O'HARA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. O'HARA. Mr. Speaker, I am today introducing legislation to protect taxpayers from having their tax returns used for statistical compilations that would help direct mail advertisers determine where best to send their advertising material.

Senator WILLIAMS of Delaware, who introduced similar legislation on the floor of the Senate last year, is simultaneously introducing this bill in the Senate.

Specifically, this legislation would prohibit the Internal Revenue Service from selling income tax statistics organized by postal ZIP code to commercial clients.

The Internal Revenue Service now has such a project underway and, if action is not taken soon, this tax data will be sold to the Nation's largest direct mail advertisers, thus permitting them to pinpoint the best prospects for junk-mail solicitations.

This expanded statistical activity will cause considerable annoyance to large numbers of taxpayers. In my view, this ZIP code statistical project is an inappropriate use of income tax returns. Letters which I have received from people across the Nation support this view. A sampling of these letters will be published at the conclusion of my remarks.

I want to make it clear that the IRS is not making public individual income-tax returns, which is prohibited by law.

Some background is in order:

Last year the Internal Revenue Service announced that it was considering expanding its statistical service to provide material on tax returns for each of the Nation's more than 34,000 ZIP code areas. The five-digit ZIP code area is a relatively small statistical unit, much smaller than now available. Further, it is most convenient for use by mailers.

Since the statistical material includes number of returns filed, number of joint returns, exemptions, gross income, and total tax, it was apparent that this would provide invaluable information to those seeking to pinpoint the most affluent and moderately affluent areas of the country for commercial purposes.

Last year I wrote to IRS Commissioner Thrower and asked that he abandon this project.

In that letter I suggested that this information would be a great help to direct mail advertisers who, equipped with the IRS statistics, would be able to direct their advertising circulars to those ZIP

codes populated by the best sales prospects.

I said that while the IRS would be performing a valuable service for direct mail advertisers and door-to-door salesmen, it would be doing no favors for homeowners who would be on the receiving end of junk mail deluge.

Despite denials by the IRS, my suspicions were substantiated when I discovered just who was interested in this new IRS service. Among the business firms who had written the IRS about purchasing the statistics when available were Sears, Roebuck & Co.; Spiegel, Inc.; R. L. Polk & Co.; a couple of national magazines; Names Unlimited; and American Mail Associates.

The IRS did delay the project, but then decided to proceed. It argued that while the statistics might be of value to direct mail advertisers, it would also be of assistance to public agencies.

I think it is a significant indicator of comparative value to note that while six public agencies said they were interested in the material, 16 commercial purchasers said they wanted to buy it. Given this preponderance of interest by the private sector, one can reasonably conclude that public use is incidental to commercial use.

With considerable frustration, I ended my correspondence with Mr. Thrower. And that is where the matter rested until the Senate began debate on income tax legislation late last year.

At that time an amendment was introduced on the Senate floor by the distinguished senior Senator from Delaware. Senator WILLIAMS' amendment was specifically aimed at preventing the release of ZIP code tax statistics to direct mail advertisers.

The Williams amendment was accepted by the Senate, but was dropped from the tax bill in conference.

The legislation I introduced today is based on the Williams amendment. As I noted earlier, Senator WILLIAMS is introducing the bill in the Senate.

This legislation prohibits the IRS from making available to commercial users information classifying statistics on taxpayers according to ZIP code.

It does not prohibit the Internal Revenue Service from making this information available to public agencies.

Since my first disclosures that the Nation's biggest direct mail advertisers want to buy these ZIP code statistical tables, I have received dozens of letters from an aroused and indignant public. They argue powerfully for this legislation.

A woman in Florida wrote:

I contend, as you do, the IRS should stick to collecting taxes (which they sure enough do) and let private business collect its own income data.

And a woman in Kittery, Maine, wrote:

The Internal Revenue's job is not to serve the ends of private business . . . Please continue in your efforts to keep the IRS busy at its proper job. . .

From Nunn, Colo.:

I feel this is a terrible invasion of privacy.

A sampling of the letters follow, along with a column which I wrote on the sub-

ject for newspapers in my congressional district and the text of the bill.

I firmly believe that this is one imaginative governmental project best buried in the rear of a very deep file cabinet.

It is primarily a service to commercial interests. And I say it is a disservice to the taxpayers of the Nation.

If the Internal Revenue Service would not cancel this project on its own volition, then I believe it is incumbent upon the Congress to direct it to do so.

That is the intent of the legislation which I introduce today:

H.R. 15471

A bill to amend the Internal Revenue Code of 1954 to further protect the privacy of individual taxpayers, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6108 of the Internal Revenue Code of 1954 (relating to publication of statistics of income) is amended by inserting the following at the end thereof: "In publishing such statistics taxpayers shall not be classified, in whole or in part, on the basis of a coding system for the delivery of mail. The preceding sentence shall not apply to statistics made available on an official basis to an agency or instrumentality of the United States or a State or any political subdivision thereof. Such agencies may not publish or otherwise disclose such information. The prohibitions of this section shall be deemed to be within the meaning of 5 U.S.C. 552(b)(3), the Freedom of Information Act."

(b) Section 7515 of such Code (relating to special statistical studies and compilations) is amended by inserting the following at the end thereof: "Such transcripts may not contain data based, in whole or in part, on the classification of taxpayers under a coding system for the delivery of mail. The preceding sentence shall not apply to statistics made available on an official basis to an agency or instrumentality of the United States or a State or any political subdivision thereof. Such agencies may not publish or otherwise disclose such information. The prohibitions of this section shall be deemed to be within the meaning of 5 U.S.C. 552(b)(3), the Freedom of Information Act."

SEC. 2. The amendments made by section 1 of this Act shall take effect upon enactment.

NEWSLETTER

(By JAMES G. O'HARA, Representative in Congress)

If you live in a reasonably affluent area and start getting a lot more junk mail delivered to your home, you may have the Internal Revenue Service to thank for it.

That's right, the Internal Revenue Service.

To be sure, the IRS is busy collecting taxes, but it also moonlights—compiling tax statistics from your income tax returns and selling them to public agencies and private businesses.

No names are used, of course, since there are confidentiality laws prohibiting the disclosure of individual tax returns.

But nonetheless, it does compile, publish and sell aggregate statistics and has been doing it for years.

Heretofore, this moonlight activity on the part of the IRS has drawn little public attention.

The principal reason it escaped notice is that the statistical capabilities of the IRS limited the data to large population groups—generally no smaller than a metropolitan statistical area.

But now the IRS has refined its procedures and, with the help of the Post Office Depart-

ment's zip code, a statistical breakthrough has been achieved.

With the advent of Mr. Zip, tax statisticians discovered that by segregating tax data by zip codes one could emerge with a statistical profile of a relatively small area.

In a few months, the IRS plans to compile income statistics—total tax returns filed, the number of exemptions (an indicator of the number of children), the number of joint returns (housewives) and the total taxes paid—for each of the nation's 35,000 five-digit zip code areas.

So what about the direct mail advertisers? Prior to this statistical breakthrough, it was hard for direct mail advertisers to spot their targets with accuracy.

Now, with these five digit zip code income statistics, the junk mailers can take direct aim on the neighborhoods (and mailing addresses) of the best potential customers.

Not so, said the IRS when I first broached this point with them.

It argued that the five-digit information was of great benefit to public agencies and only "incidentally" of use to private businesses.

Then it released the list of potential clients of this new service, and my suspicions were confirmed.

Six public agencies, ranging from the Army Office of Civil Defense to the New York Port Authority wanted the information.

And "incidentally" 16 "commercial enterprises and associations"—the IRS terminology, not mine—wanted to pay \$2,000 per five digit zip code area for the statistical data.

Among these commercial enterprises and associations were the nation's biggest direct mail advertisers, plus such outfits as "Names Unlimited," and "American Mail Associates."

But in its press release on the subject, the IRS emphasized again the public agency aspects of the data and chose to ignore the fact that private clients outnumber public purchasers by better than 2 to 1.

Surprisingly, the IRS press release obliquely confirmed what I had been contending all along, that the data would be most valuable to direct mail advertisers.

One tax official rephrased the press release statement concerning direct advertisers' use of the tax data.

The Wall Street Journal quoted the taxman as saying: "It could actually serve to cut down junk mail." With income areas pinpointed, commercial mailers "Can rifle-shot the stuff, rather than shotgun it."

Shotgun, rifle or high-caliber howitzer, I still say that the IRS is doing us no favor, and has no business using tax returns to promote junk mail. This is what is at issue, no matter how hard the IRS works to disguise it under the mask of public benefit.

OCTOBER 23, 1969.

DEAR REPRESENTATIVE O'HARA: May I write to encourage you in your efforts to prevent Internal Revenue Records to be used by "junk mail" companies.

An excellent editorial in the Providence Journal this morning tells of your work.

Sincerely,

PROVIDENCE, R.I.

SEPTEMBER 21, 1969.

Representative JAMES O'HARA,
U.S. Congress,
Washington, D.C.

DEAR MR. O'HARA: I am writing concerning the idea of the Internal Revenue Service, selling lists and data to business firms.

It is a blatant violation of our privacy—and I very much appreciate your attitude toward the situation.

I shall write to our own Congressman this afternoon.

There's so many junk mailings these days—one less would be appreciated. It is tradi-

tional in our country that our tax reports remain confidential!

We hope that you can muster up enough support to defeat this "sale of records." Thank you very much.

Sincerely,

RANDOLPH, N.Y.

OCTOBER 22, 1969.

Re invasion of privacy.
INTERNAL REVENUE SERVICE,
Washington, D.C.

Representative O'Hara of Michigan recently brought to our attention that the Internal Revenue Service is proposing to "sell at cost" information regarding Taxpayers financial background according to zip code areas.

I am sure this is a great "boon" to the direct mail advertisers but we are getting so much of this "junk" mail that it becomes disconcerting to hunt through the mail for the legitimate mail, bill, etc.

The other question I would like to ask is what purpose does the Internal Revenue Service have in selling this information at cost?

I think someone should propose a bill which would allow recipients of mail to return to senders all mail which is not solicited (advertisements, that it).

I would appreciate your consideration in this matter as the junk mail problem is getting worse.

Sincerely,

WESTLAKE VILLAGE, CALIF.

OCTOBER 21, 1969.

Representative JAMES O'HARA,
Washington, D.C.

DEAR SEN: This is in regard to your stand against Internal Revenue Service selling information obtained from our income tax forms. I am definitely against it also. We are deluged with junk mail—unsolicited items sent to us to buy and telephone solicitations. The junk mail makes more loss for the postal department—more litter for the garbage men to gather and dump.

I feel that with the information on our tax forms and on our social security records we have no more privacy at all.

I contend, as you do, the "IRS should stick to collecting taxes" (which they sure can do) and let private business collect its own income data. I hope you can get more of the Congressmen to go along with you.

Sincerely,

NEW SMYRNA BEACH, FLA.

OCTOBER 23, 1969.

Representative JAMES O'HARA,
Democrat, Michigan, U.S. Congress,
Washington, D.C.

DEAR REPRESENTATIVE O'HARA: I am writing to express my support for criticizing the use of IRS data for direct mail advertising.

Contrary to what the IRS said "this would not constitute invasion of privacy because none of the information could be used to identify individuals." . . . to me, a citizen, and to my husband . . . this is an invasion of privacy. Although I realize that the selling of these lists would pay the cost of our government employees, this is not a function of our government.

Please advise the powers involved that I do not even give out information to R. L. Polk and Co. when they come door to door soliciting such information.

I have no choice except to complete my IRS form—but I do have the option to encourage the Civil Liberties Union to look into this matter.

Thank you again and you can be sure I am notifying my Congressman—Charles Mosher of my feelings.

Very truly yours,

LORAIN, OHIO.

OCTOBER 23, 1969.

DEAR SIR: Please excuse me if I have not used the correct address or form. Please accept my apology.

I write in connection with your criticism of IRS selling data from tax returns.

I fervently pray that you will continue to object to this. I feel this is a terrible invasion of privacy, and the fact that they are obtaining this information from supposedly confidential returns, makes it worse.

Thank you for your attention.

Yours truly,

NUNN, COLO.

MOLINE, ILL.

Representative JAS O'HARA,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN O'HARA: I want you to know that I and many other Americans agree with your position opposing the sale of data from tax returns to those firms engaged in direct mail advertising.

Not only is this an invasion of privacy, but equally important, it would be used to supply advertising material which we do not want and which is sent at a cost to the American taxpayers.

Until such time as Congress is willing to establish postal rates for bulk mailing which is sufficient to cover delivery costs, we should do all we can to discourage bulk mailing in order to reduce the tremendous deficit incurred by the Postal Department.

Sincerely,

OCTOBER 28, 1969.

MY DEAR MR. JAMES O'HARA: I am writing you in reference to the I.R.S. selling certain information from tax returns which I say is violating taxpayer's privacy. I for one and also a lot of my friends are up in the air over this as we are already deluged with a bunch of junk mail which I am getting sick of. It is sickening to go to the mail box and get a bunch of junk and besides I think they got their nerve revealing people's privacy and I for one am against it and am behind you 100% and hope you can do something to prevent it.

Thank you.

IRONTON, OHIO.

HARRISBURG, PA.

Representative JAMES O'HARA,
House of Representatives,
Washington, D.C.

DEAR SIR: Your stand on the sale of tax-return data is most commendable. Such a practice could encourage an invasion of privacy and also make us the target for tons of junk mail.

In Pennsylvania, the State sells our name and address to business firms. Our mail boxes are so stuffed with all kinds of advertising that there is scarcely any room for mail we welcome.

If Internal Revenue Service and other government agencies are within the law, then this law should be revoked. They give information concerning us without our consent and permission. That definitely is a violation of our rights.

There are so many media of communication in which to advertise that they should not be allowed to impose upon the citizens. These firms make the matter more obnoxious by refusing to accept any of the mail which we return. They order the Post Office not to forward it, that would be a nuisance to them, but little do they care how annoying it is to us.

Thank you, sir, for your efforts in this matter. I wish you every success.

Yours very truly,

DUBLIN, VA.,

October 22, 1969.

Re: IRS Selling Tax Data.

Hon. JAMES O'HARA,
House of Representatives,
The Capital,
Washington, D.C.

DEAR SIR: Cheers for your efforts to block the Internal Revenue Service from selling data to business firms.

They do not need to sell anything; they are well-paid by the tax-payers. I personally cannot see the benefit in compiling these lists and money could be saved by omitting the process. Such is not the function of this organization and I strongly object to same. Keep up the good work!

Very truly yours,

KETCHIKAN, ALASKA,

October 22, 1969.

Hon. JAMES O'HARA,
House of Representatives,
Washington, D.C.

DEAR MR. O'HARA: I am writing regarding your recent disclosure of plans by IRS to publish detailed statistical information taken from tax returns. I am opposed to such action as I understand it. Can you furnish information on the plans and suggest ways in which I can effectively work against them?

Sincerely,

OCTOBER 21, 1969.

Representative JAMES O'HARA,
House of Representatives,
Washington, D.C.

DEAR MR. O'HARA: I read in tonight's Portsmouth (N.H.) Herald about your efforts to prohibit the Internal Revenue Service from selling data collected from tax returns to private businesses.

I'm with you. The Internal Revenue's job is not to serve the ends of private business. Already there are far too many ways in which advertisers can obtain the names of people whom they harass with unwanted junk mail. I am opposed to adding one more source of mailing lists to the confusion. Please continue in your efforts to keep the IRS busy at its proper job. In fact, from the length of time it took for me to get an answer to a query about a tax problem—eleven months—the IRS could stand some revamping of its present procedures.

Yours truly,

KITTERY, MAINE.

Representative JAMES O'HARA,
Michigan, House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE O'HARA: In last evening's Times-Herald (Newport News) an AP article noted that the Internal Revenue is considering selling tax return data to private businesses. Your name was mentioned as opposing such a move. May I join you in opposing the Internal Revenue furnishing any data to private businesses.

You would be able to check back into the laws authorizing the Internal Revenue and see exactly what Congress set it up to do. Though I do not have that information at hand, I would assume that Congress never wrote into any law the right for this bureau to do more than collect taxes. If it did, I think Congress should take steps to change the IRS status.

It is very hard today to have much privacy with the telephone callers trying to sell you merchandise or services if your number is listed, with oil and other companies sending you credit cards you didn't request and with all kinds of forms asking for your Social Security number. Then, of course, one reason the Post Office Department never operates in the black is the piles of requests

the Postman delivers to your home for charitable causes.

It seems that the average person in my neighborhood gets on more catalog and circular mailing lists every year. Many of the firms are completely unknown to us.

Thanks for your effort in behalf of the taxpayer who is already overloaded with advertisements and requests for his money.

Yours truly,

HAMPTON, VA.

DEAR MR. O'HARA: Please use all your influence to prohibit our Government from selling tax data to any mail-order firms. Thank you.

ARVADA, COLO.

NOVEMBER 11, 1969.

Representative JAMES O'HARA,
House of Representatives,
Washington, D.C.

DEAR MR. O'HARA: Our Richmond newspaper carries an article that says the IRS is thinking of selling its computer tax information to mass mailers. I sincerely hope that this is not allowed to take place!

Junk mail is already filling our mailboxes, when anything worth receiving gets crumpled up in the mass of mailings. If they need money, and how can they not need any, than raise taxes 2¢ per taxpayer, and let us keep our privacy, and I say that with tongue in cheek, because we don't have much privacy left.

Sincerely,

RICHMOND, VA.

THE NATION'S LAW SCHOOLS AND THE ENVIRONMENTAL DECADE—PARTIAL RESULTS OF AN INFORMAL SURVEY CONDUCTED BY CONGRESSMAN JOHN P. SAYLOR OF PENNSYLVANIA

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, just before the old decade ended, I sent letters to the deans of our Nation's law schools asking them to cooperate in an informal survey of their institutions' programs and/or plans for instruction in the field of environmental law. The text of my letter follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., December 29, 1969.

DEAR DEAN: By the time you receive this, the "Environmental Decade" will be under way. Every citizen has a stake in the protection and improvement of the nation's environment but most observers concur that the legal profession will play a critical role in these great issues during the decade. I am sure you agree that proper preparation for that role is the responsibility of the nation's law schools.

As a long-time conservationist, Member of Congress, and member of the Bar, I am naturally pleased to see this public concern for the environment taking shape with reliance on our profession to carry the battle forward. However, I feel some disquiet about the scope of legal training available to students in matters affecting the environment; I hope to ease my concern about such training as a result of an informal survey.

I wish to inquire about your school's programs and/or plans for instruction along these lines. I do not expect you to itemize every single course or seminar being offered

at your institution, but I would like to receive an over-all summary of your "environment-related" curriculum. The information from my survey will be presented to the Congress and to selected groups who seek to assist the law schools—and thus the nation—in the protection of our natural and national heritage.

Your assistance in this survey will be deeply appreciated.

With every good wish for a Happy New Year, I am,

Sincerely yours,

JOHN P. SAYLOR.

The response from the deans has been gratifying in numbers, enlightening as to curriculum, and exciting as to prospects. As most of us in Congress know, law courses tend to be highly traditional, but as one of the deans remarked in his letter, "change is in the winds."

It would be difficult to relate all the various courses that have been or are being established around the country; but suffice to say, the Nation's law schools are well aware of the growing concern for our national and natural heritage and the responsibility of the legal fraternity to help protect it.

In order to give our colleagues some flavor and scope of the concern for the environment in the law schools, I have extracted particularly interesting and representative portions of some of the responses I have received to my letter. I want to stress that the following are only representative; I expect to continue my reports on this subject as more responses are received.

Dean Jefferson B. Fordham of the University of Pennsylvania Law School says:

I say with strong conviction that I share your interest in environmental problems. It is my responsibility to serve as President of the Association of American Law Schools during 1970 and, at my suggestion, the Association has made 'Man and Nature' its program focus for the year. This means that this organization of 122 law schools will be addressing itself particularly to the giving of adequate recognition in the educational and research programs in law schools to environmental problems.

Dean Alfred W. Meyer of Valparaiso University Law School reports:

By and large our curriculum is traditionally oriented but change is in the winds as we have recently added several youthful members to our faculty who will not permit us to rest content. Our Curriculum Committee is currently restudying our program in the light of concerns such as yours. . . . More specifically, we are talking about an interdisciplinary course which would involve a chemical engineer, a biologist, and a law professor who would combine their talents in organizing a course in the area of water and air pollution. Existing law school courses are those in the 'property' area with traditional titles but with modifications of content to respond (inadequately) to the world around us.

Dean Edward S. Godfrey of the University of Maine School of Law noted in addition to general courses and seminars offered that:

Upon request of a number of interested students this past fall, Professor Delogu conducted a series of informal classes on water and air pollution. These classes were not part of the regular curriculum and received no academic credit. They were mostly attended by first-year students who were impatient for material in this field and did

not wish to wait until their second or third year in order to consider environmental problems.

Responding for Dean Toepfer of Case Western Reserve University, Franklin Thomas Backus School of Law, Associate Prof. Arnold W. Reitze, Jr., said in part:

Advanced courses are given in water law and in atomic energy law with emphasis on environmental considerations. An inter-session program dealing with air and water pollution control is offered. In their senior year students may elect a two credit hour research program. Currently students are investigating strip mining and national park policy in the Great Lakes region. On an informal basis, there is an opportunity to participate in community environmental problems. It is hoped that this opportunity will evolve into a formal clinical program.

According to the information forwarded by the University of Denver's College of Law, the environment as a course of study and action is well launched. Associate Prof. Thomas P. Brightwell, reporting for Dean Robert B. Yegge, sent a brochure which outlined the natural resources program, and said:

As you can see, we have oriented this program to take into account both traditional natural resource law and related environmental issues. In addition to the courses listed, we offer a Seminar in Environmental Law which examines, in depth, the area of environmental litigation and the public input into the decision-making process when environmental questions are present. In addition to our Natural Resources Program, our Student Practice Program is actively engaged in assisting local attorneys in the preparation and trial of so-called "Public Interest" environmental cases. At the present time, the Director of our Student Practice Program is in the process of bringing two of these suits directly, with the aid of members of our faculty and interested students. We anticipate further direct action through the Practice Program.

Dean Willard H. Pedrick of the Arizona State University College of Law reported from the Southwest, as follows:

In addition to other courses which deal with some aspects of the subject, the following courses and seminars are specifically designed to prepare our students to play a positive role in the protection and improvement of the country's environment: Natural Resource Development—emphasis in this seminar is on environmental control; law in a Technological Society—this seminar surveys the impact of technology on society and the law. Student response to the Natural Resources Development Seminar has been encouraging. Two sections are being offered this year in order to accommodate those who wish to participate.

From the College of Law at the University of Nebraska, Assistant Dean Donald L. Shaneyfelt mentioned the school's natural resources seminar and also:

In addition to this, our students work with the State Soil and Water Conservation Department and with the Agricultural College on conservation projects. The University of Nebraska also has a new inter-disciplinary Masters Degree in Water Resources. This involves the Law College, the Arts College, the Engineering College and the Agricultural College.

Prof. Richard G. Huber, acting director of the Boston College Law School's

Environmental Law Center, outlined in considerable detail the plans and programs for the new center. He also mentioned a new publication:

We are also commencing publication—we hope by the end of this school year—of a quarterly publication on environmental matters. This would involve at least six of our students in preparing short case notes and legislative comments, although the journal itself will have broader than purely legal coverage. In addition, of course, at the Center we have approximately fifteen students working with lawyers on proposed legislation and developing research for government agencies interested in environmental matters.

Associate dean of the Yale University Law School, Ralph S. Brown, Jr., reported on the course which the law school is offering for the first time this year:

Environmental Regulation: An exploratory examination of the ways in which law is used to shape the character of the physical environment. Issues will be selected from such areas as land management, air and water pollution, and conservation.

Acting Dean Luvern V. Rieke of the University of Washington School of Law reports that the school has a total of 27 credit hours available for students in environmental subjects.

Several of the courses are related to environmental protection. These are: Natural Resources Seminar, Ocean Resources Seminar, Selective Problems on Environmental Protection Seminar.

From the National Law Center of George Washington University, I received a detailed summary of environment-related courses which are available to both undergraduate and graduate law students. Associate Dean Ralph C. Nash, Jr., states in part:

We have had several discussions of changes which would be necessary to evolve into a program on environmental law and have generally concluded that only a few additional courses would be necessary.

Although the foregoing are partial comments from just a few of the law schools I contacted, I believe one can see a definite and exciting trend being developed. Young people of the "now generation" entering law schools this year will have the opportunity to play a major role in protecting the Nation's environment before this decade closes. As my future reports from the schools will show, the opportunities to study and work in this developing area of the law are widening every day.

TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, the literacy rate in the United States is approximately 98 percent.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PERKINS, for 1 hour, today; to revise and extend his remarks and include extraneous matter.

Mr. GONZALEZ, for 10 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. BRINKLEY (at the request of Mr. NICHOLS), for 30 minutes, on January 22; to revise and extend his remarks and include extraneous matter.

Mr. PERKINS, for 60 minutes, on January 21.

(The following Members (at the request of Mr. RUPPE) and to revise and extend their remarks and include extraneous material:)

Mr. DUNCAN, for 60 minutes, on January 22.

Mr. QUIE, for 30 minutes, on January 21.

Mr. RANDALL, for 10 minutes, today.

Mr. RYAN, for 20 minutes, today.

Mr. PHILBIN, for 10 minutes, today.

Mr. MICHEL, for 2 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PERKINS and to include extraneous matter.

Mr. BENNETT and to include extraneous matter.

Mr. BOLAND in two instances and to include extraneous material.

Mr. HALL and to include pertinent material.

Mr. ANDERSON of California during his colloquy with Mr. PERKINS during the special order of Mr. PERKINS.

(The following Members (at the request of Mr. MILLER of Ohio) and to include extraneous matter:)

Mr. BUCHANAN.

Mr. KYL.

Mr. CARTER.

Mr. QUILLIN in four instances.

Mr. ROUDEBUSH.

(The following Members (at the request of Mr. RUPPE) and to include extraneous matter:)

Mr. ARENDS.

Mr. MIZE.

Mrs. MAY in two instances.

Mr. ASHBROOK.

Mr. BROYHILL of Virginia in three instances.

Mr. SMITH of California.

Mr. BROWN of Michigan.

(The following Members (at the request of Mr. NICHOLS) and to include extraneous matter:)

Mr. FRASER.

Mr. MOLLOHAN in two instances.

Mr. GIAIMO in five instances.

Mr. HAMILTON in 10 instances.

Mr. O'NEILL of Massachusetts in two instances.

Mr. DIGGS in two instances.

Mr. TUNNEY.

Mr. WILLIAM D. FORD.

Mr. UDALL in eight instances.

Mr. STOKES in two instances.

Mr. ASHLEY.

Mr. GALIFIANAKIS.

Mr. RYAN in three instances.

Mr. BURLISON of Missouri.

Mr. ROYBAL in six instances.

Mrs. CHISHOLM.

Mr. VANIK in two instances.

Mr. CONYERS in five instances.

Mr. RARICK in three instances.

Mr. GONZALEZ in two instances.

Mr. MOORHEAD.

ADJOURNMENT

Mr. NICHOLS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 36 minutes p.m.), the House adjourned until tomorrow, Wednesday, January 21, 1970, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1513. A letter from the president, Gorgas Memorial Institute of Tropical and Preventive Medicine, transmitting the 41st annual report of operations for the fiscal year ended June 30, 1969, pursuant to 45 Stat. 491; 22 U.S.C. 278a (H. Doc. No. 91-235); to the Committee on Foreign Affairs and ordered to be printed.

1514. A letter from the Assistant Secretary Department of Agriculture, transmitting the second annual report on operations under the Food Stamp Act of 1964, pursuant to Public Law 90-552; to the Committee on Agriculture.

1515. A letter from the Acting General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend section 808 of title 10, United States Code, to clarify the application of that section to prisoners and members who are absent without leave from the Armed Forces; to the Committee on Armed Services.

1516. A letter from the Public Printer, U.S. Government Printing Office, transmitting the annual report for the fiscal year ended June 30, 1969; to the Committee on House Administration.

1517. A letter from the Chairman, Subversive Activities Control Board, transmitting the 19th annual report for the period ended June 30, 1969, pursuant to the provisions of law, to the Committee on Internal Security.

1518. A letter from the Chairman, Interstate Commerce Commission, transmitting the 83d annual report for the fiscal year ended June 30, 1969; to the Committee on Interstate and Foreign Commerce.

1519. A letter from the Chairman, National Mediation Board, transmitting the 35th annual report of the Board, including the report of the National Railroad Adjustment Board for the fiscal year ending June 30, 1969, pursuant to the provisions of law; to the Committee on Interstate and Foreign Commerce.

1520. A letter from the Chairman, Federal Power Commission, transmitting a copy of the publication entitled "Statistics of Privately Owned Electric Utilities in the United States, 1968"; to the Committee on Interstate and Foreign Commerce.

1521. A letter from the Clerk, U.S. Court of Claims, transmitting a statement of judgments rendered for the year ended September 30, 1969, pursuant to the provisions of section 791(c), title 28, United States Code; to the Committee on the Judiciary.

1522. A letter from the Secretary of the Treasury, transmitting the statement of liabilities and other financial commitments of the U.S. Government as of June 30, 1969, pursuant to the provisions of section 402 of Public Law 89-809; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS: Committee on House Administration. House Resolution 764. Resolution authorizing payment of compensation for certain committee employees, with an amendment (Rept. No. 91-794). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 15463. A bill to amend the Randolph-Sheppard Act for the blind so as to make certain improvements therein and for other purposes; to the Committee on Education and Labor.

H.R. 15464. A bill to provide Civilian Conservation Corps enrollees who are suffering from paraplegia incurred during service in such Corps with benefits substantially comparable to those provided veterans who are similarly disabled; to the Committee on Education and Labor.

By Mr. EILBERG:

H.R. 15465. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firemen not employed by the United States who are killed or totally disabled in the line of duty; to the Committee on the Judiciary.

By Mr. GALIFIANAKIS:

H.R. 15466. A bill to establish a Joint Committee on Environmental Quality; to the Committee on Rules.

By Mr. KARTH:

H.R. 15467. A bill to amend the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to assist the States in developing a plan for the provision of comprehensive services to persons affected by mental retardation and other developmental disabilities originating in childhood, to assist the States in the provision of such services in accordance with such plan, to assist in the construction of facilities to provide the services needed to carry out such plan, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KOCH:

H.R. 15468. A bill to provide long-term financing for expanded urban mass transportation programs, and for other purposes; to the Committee on Banking and Currency.

By Mrs. MAY (by request):

H.R. 15469. A bill to provide for the disposition of funds appropriated to pay judgments in favor of the Yakima Tribes in Indian Claims Commission dockets Nos. 47-A, 162, and consolidated 47 and 164, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MOORHEAD:

H.R. 15470. A bill to authorize the Secretary of Housing and Urban Development to provide or to guarantee any bid, payment, or performance bond applied for by or on behalf of a small business concern which is a construction contractor or subcontractor; to the Committee on Banking and Currency.

By Mr. O'HARA:

H.R. 15471. A bill to amend the Internal Revenue Code of 1954 to further protect the privacy of individual taxpayers, and for other purposes; to the Committee on Ways and Means.

By Mr. POWELL:

H.R. 15472. A bill to designate the Meridian

Hill Park in the District of Columbia as the Malcolm X Park; to the Committee on Public Works.

By Mr. RYAN:

H.R. 15473. A bill to provide for the comprehensive program for the control of noise; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas (by request):

H.R. 15474. A bill to amend chapter 17, title 38, United States Code, to provide drugs and medicines to veterans of World War I, World War II, the Korean conflict, or the Vietnam era, who are receiving increased compensation or pension because of being housebound; to the Committee on Veterans' Affairs.

By Mr. WHALEN:

H.R. 15475. A bill to provide additional benefits for optometry officers of the uniformed services; to the Committee on Armed Services.

By Mr. BENNETT:

H.J. Res. 1047. Joint resolution proposing an amendment to the Constitution of the United States to provide that appointments of Supreme Court and other Federal judges be required to be reconfirmed every 6 years, to require 5 years' prior judicial experience as a qualification for appointment to the Supreme Court, and to require retirement of Federal judges at the age of 70 years; to the Committee on the Judiciary.

By Mr. BRINKLEY:

H.J. Res. 1048. Joint resolution, proposing an amendment to the Constitution of the United States prohibiting involuntary busing of students; to the Committee on the Judiciary.

By Mr. MIKVA:

H.J. Res. 1049. Joint resolution proposing an amendment to the Constitution of the United States to provide that the right to vote shall not be denied on account of age to persons who are 18 years of age or older; to the Committee on the Judiciary.

By Mr. OLSEN:

H.J. Res. 1050. Joint resolution authorizing the Secretary of the Interior to provide for the commemoration of the 100th anniversary of the establishment of Yellowstone National Park, and for other purposes; to the Committee on the Judiciary.

By Mr. QUILLEN:

H.J. Res. 1051. Joint resolution designating the week commencing February 3, 1970, as International Clergy Week in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. SIKES:

H.J. Res. 1052. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.J. Res. 1053. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. TUNNEY:

H. Con. Res. 478. Concurrent resolution expresses the support of Congress for the principles embodied in the Santa Barbara Declaration of Environmental Rights; to the Committee on Merchant Marine and Fisheries.

By Mr. GARMATZ:

H. Res. 785. Resolution to provide funds for the expenses of the studies and investigations authorized by House Resolution 131; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRAY:

H.R. 15476. A bill for the relief of Ofelia C. Santos; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 15477. A bill for the relief of James J. Kellman; to the Committee on the Judiciary.

By Mr. RUPPE:

H.R. 15478. A bill for the relief of Mrs. Fernando M. Allen; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

375. By the SPEAKER: Petition of the City Council, Seattle, Wash., relative to supporting proposed legislation regarding repeal of the Emergency Detention Act of 1950; to the Committee on Internal Security.

376. Also, petition of Maurice Sullivan, Atlanta, Ga., relative to redress of grievances; to the Committee on the Judiciary.

SENATE—Tuesday, January 20, 1970

The Senate met at 12 o'clock meridian, on the expiration of the recess, and was called to order by the President pro tempore (Mr. RUSSELL).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, in whose will is the destiny of men and nations, deliver us now from the tumult of the busy world, from the claims of many duties, and the confusion of many voices, that we may hear again Thy still small voice, lifting our vision, allaying our fears, instructing our minds, and flooding our inmost being. Imbue with Thy higher wisdom all whose service to Thee is rendered in this place. Make them sure of the goal toward which the Nation moves and certain of each step taken to reach it. Grant Thy reconciling grace, that being united in devotion to the Nation's welfare and the betterment of all mankind, Thy servants here may be ministers of healing to a broken world. In the stress and strain of this day and all the days ahead lead them by Thy spirit to the fullness of Thy kingdom, the law of which is love and the ruler of which is the Lord of Life.

In His holy name we pray. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 6244. An act to enable the Secretary of Agriculture to extend financial assistance to desertland entrymen to the same extent as

such assistance is available to homestead entrymen;

H.R. 10184. An act to provide for the disposition of judgment funds of the Sioux Tribe of the Fort Peck Indian Reservation, Mont.;

H.R. 11372. An act to amend the act entitled "An act to authorize the partition or sale of inherited interests in allotted lands in the Tulalip Reservation, Wash., and for other purposes", approved June 18, 1956 (70 Stat. 290); and

H.R. 12795. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amount authorized to be expended, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 6244. An act to enable the Secretary of Agriculture to extend financial assistance to desertland entrymen to the same extent as such assistance is available to homestead entrymen; to the Committee on Agriculture and Forestry.

H.R. 10184. An act to provide for the disposition of judgment funds of the Sioux Tribe of the Fort Peck Indian Reservation, Mont.; and

H.R. 11372. An act to amend the act entitled "An act to authorize the partition or sale of inherited interests in allotted lands in the Tulalip Reservation, Wash., and for other purposes", approved June 18, 1956 (70 Stat. 290); to the Committee on Interior and Insular Affairs.

H.R. 12795. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amount

authorized to be expended, and for other purposes; to the Committee on Public Works.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, January 19, 1970, be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ATTENDANCE OF SENATORS

The following additional Senators attended the session of the Senate today: BAYH, DODD, GOODELL, and STEVENS.

DEMOCRATIC CONFERENCES HELD YESTERDAY AND THIS MORNING—REMARKS BY THE MAJORITY LEADER

Mr. MANSFIELD. Mr. President, the Democratic conference met yesterday morning to prepare for the beginning of the second session of the 91st Congress. This first meeting largely concerned routine matters—housekeeping chores of the Senate, so to speak. It was followed